

Herald INTERNATIONAL Tribune

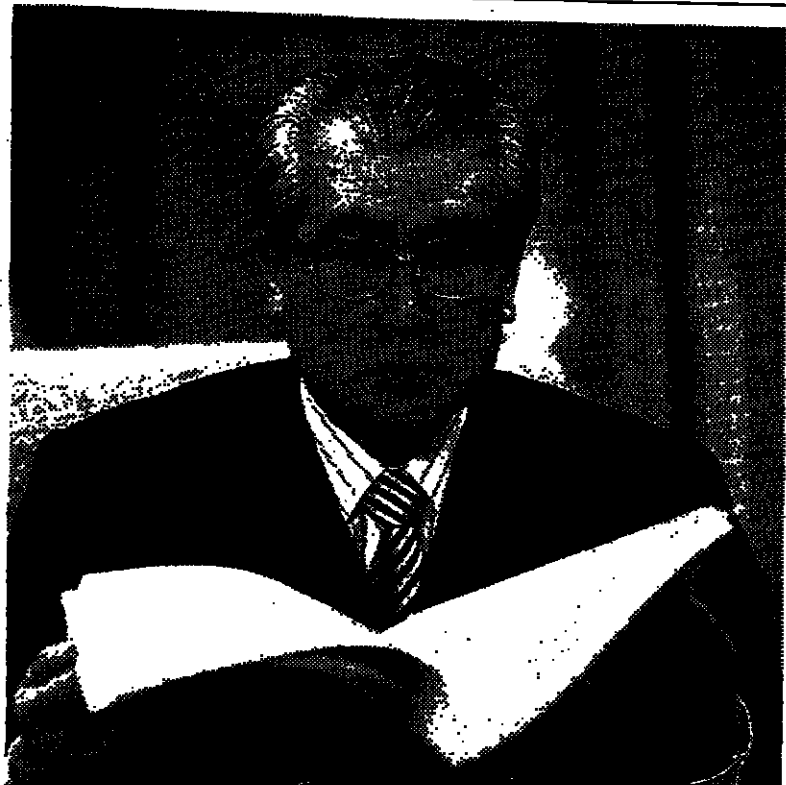
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Tasuku Tsukada of Nagano explaining why records were destroyed.

Sifting Olympic Ashes Nagano in Uproar Over Lavish Perks And Destroyed Records of 1998 Bid

By Mary Jordan
and Kevin Sullivan
Washington Post Service

NAGANO, Japan — Around March 1992, 10 large boxes of documents cluttering up Junichi Yamaguchi's office in City Hall were hauled away to a locked warehouse. Then the trashmen drove them to the city incinerator, tossed them in the fire and burned the only known accounting of how this little city in the Japanese Alps spent more than \$14 million to land the 1998 Winter Olympics. Yamaguchi, a key official in Nagano's Olympic bidding committee, said the boxes contained records showing how Nagano paid first-class airfare for 62 international Olympic Committee members and many of their companions to visit Japan, how they put them up in five hotels in Tokyo, Nagano and Kyoto, wined and dined them, entertained them with geishas, flew them around in helicopters. They even showed how a

couple of them billed Nagano for thousands of dollars for expensive Tokyo hotel suites where they stored their luggage as they toured other parts of the country. Yamaguchi, in an interview Wednesday, said Japanese officials had to treat the visiting IOC members well if they had any hope of landing the Olympics. "These people were the ones in position to write 'Nagano' at election time," Yamaguchi said. Noting that IOC members had asked Nagano officials not to publicize their spending, Yamaguchi said the burning of the books was a "courtesy" to them. He said Nagano officials worried that if the documents were made public, "it could cause uneasiness to them."

See NAGANO, Page 19

Fed Chief Opposes Social Security Plan

Greenspan Says Clinton's Plan For Stock Investment Is Unwise

By Mitchell Martin
International Herald Tribune

NEW YORK — Just hours after President Bill Clinton suggested investing part of the pension money in the Social Security trust fund in the stock market, Alan Greenspan, the Federal Reserve Board chairman, told Congress on Wednesday he thought it was a bad idea. Mr. Greenspan said he opposed the concept because it would be impossible to insulate investment decisions from political influences. "What I do not support," Mr. Greenspan said, is "the investment of government funds, especially Social Security trust funds, in private securities, especially equities."

Mr. Greenspan's comments to the House Ways and Means Committee did not provide much guidance about the Fed's interest-rate policy. He did say the central bank was primarily concerned with the overall economy, not just stock prices, which he warned were high, reflecting "substantially greater growth of profits than has been experienced of late." But his comments did not indicate an imminent rate increase, and as he testified the market began to rise, led by surprisingly high earnings from Microsoft and General Motors, but blue-chip shares closed lower. (Page 11)

See GREENSPAN, Page 12

The Dollar		
New York	Wednesday @ 4 P.M.	previous close
Euro	1.1565	1.1622
Pound	1.8458	1.856
Yen	112.955	1.376
DM	1.6912	1.683
FF	5.6737	5.6444
Dollars per pound and per euro		
The Dow		
Wednesday close	percent change	
—19.31	9,335.91	—0.21%
S&P 500		
percent change		
+4.55	1,256.55	+0.36%
Nasdaq		
percent change		
+7.49	2,415.22	+0.31%

Brazil Battles Over Deficit

After losing its fight to preserve the value of its currency, Brazil faces a new battle as the government tries to pass legislation to cut its huge deficit and calm investors. Page 11.



Alan Greenspan says U.S. stock prices appear high in relation to profits.

Clinton Uses Initiatives To Show He's Still Boss

State of the Union Address Challenges Rivals

By Dan Balz
Washington Post Service

WASHINGTON — With a blizzard of small initiatives and one big proposal on Social Security, President Bill Clinton has again tried to prevent the Republicans from occupying the political center ground — and to resuscitate his damaged presidency in the process. Mr. Clinton entered the House chamber Tuesday night as the first impeached president in a century and a lame duck to boot. Given his weakened condition, the impeachment trial in the Senate and the fact that Republicans control Congress, little of what he offered in his next-to-last State of the Union address may become law.

That was certainly the case last year with some of his major offerings, and one question that seemed to hang over Mr. Clinton on Tuesday night was not whether he can talk about the problems of the country, or lay out a lengthy agenda, but whether he has

the strength to govern. That may not be clear until the Senate trial is over. But like the others he has given, Mr. Clinton's State of the Union address was as much a political brief as a governing blueprint. The lengthy speech, while lacking any great rhetorical moments, represented a carefully tailored document designed to appeal to public opinion, unify his own party and put Republicans on the defensive. His new agenda sets the stage for a debate over the big across-the-board tax cuts favored by the Republicans and Mr. Clinton's idea of reserving most of the surplus for saving Social Security. And his education agenda, which calls on the federal government to hold local school districts to account for student performance and teacher competency, represents another effort by the president and the Democrats to heighten differences with Republicans over an issue that has hurt the Republican Party nationally.

See SPEECH, Page 6

Charges of Perjury Lack 'Specificity,' Senate Told

By Brian Knowlton
International Herald Tribune

WASHINGTON — A White House lawyer said Wednesday that the perjury charge against President Bill Clinton displayed "a stunning lack of specificity" that made it unconstitutional to defend against. Gregory Craig, who was opening the second day of Mr. Clinton's defense, accused the House members prosecuting the impeachment case of creating "myths" about what Mr. Clinton had said, of confusing senators about where he said it, and of pressing charges that, in unconstitutional ways, go far beyond the impeachment language approved by the House on Dec. 19. "We are the ones who must cry foul," he said.

allege a single perjurious statement specifically. "Imagine a robbery indictment that failed to indicate who or what was robbed, or what property was stolen," Mr. Craig said. "Imagine a murder indictment without identifying a victim." The result, Mr. Craig said, was a process that had been "profoundly unfair" to the president. "We have been left to guess what the specific allegations are," he said. "How do we know what to defend against?" In previous perjury cases, and in previous judicial impeachments for perjury that have been heard by the Senate, specific language has been cited as perjurious, according to Mr. Craig. The House's failure to do so in the impeachment article, he said, "violated the president's constitutional right to due process and fundamental fairness" and raises a question "that I think only this body can resolve."

See CLINTON, Page 6

Once Again, Milosevic Calls the Tune

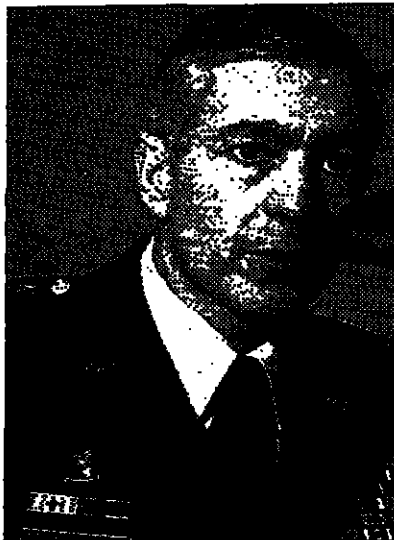
Officials Flocking Anew to Ask Him to Defuse a Crisis He Created

By Steven Branger
New York Times Service

BELGRADE — While NATO attempted to convince President Slobodan Milosevic of Yugoslavia on Wednesday that the alliance was serious about using force against him, Western diplomats continued to flock here to urge him to defuse the crisis he created. Following what appears to have been a mass killing of ethnic Albanian civilians on Friday in the Serbian province of Kosovo, Mr. Milosevic was back in the spotlight, reminding the world and his own impoverished people of his current indispensability.

NATO's top military commanders have just left; Russia's first deputy foreign minister, Alexander Avdeyev, has been here, and still here is a senior State Department official, Christopher Hill, who is also the ambassador to Macedonia, is about to arrive, and he will be followed by Knut Vollebeck, the Norwegian foreign minister and current chairman of the Organization for Security and Cooperation in Europe. In some ways, it is a delicious moment for Mr. Milosevic, some senior Western diplomats here concede. He has thrown down the gauntlet to the West and is orchestrating diatribes in the Serbian press, accusing the West of being unfair and too quick to believe propaganda from Kosovo's ethnic Albanians.

At the same time, the United States and its allies are sending him envoys, pressing him to make relatively easy concessions that will allow them to avoid the use of the force that Mr. Milosevic doubts they would be willing to use in any event. Even American officials say they have real doubts — as with Iraq — of what policy would follow any bombing.



General Wesley Clark reportedly warned Serbia that it faced NATO attacks over Kosovo. Page 6.

And Mr. Milosevic, who sent away the generals with very little after a seven-hour meeting, is also leaving himself room to maneuver and back down, the diplomats noted.

Mr. Vollebeck, for instance, ordered the American head of the monitoring mission in Kosovo, William Walker, to remain on the job despite an expulsion order, and he returned to Pristina, the province's capital, on Wednesday.

Mr. Walker, who has accused Serbian forces of the massacre of at least 45 ethnic Albanians in the village of Racak, was himself accused by the Serbs of partiality, and on Tuesday was ordered to leave within 48 hours.

That order was extended by another 24 hours after the 54-nation Organization for Security and Cooperation in Europe — which includes Russia — demanded that Mr. Milosevic allow Mr. Walker to remain.

It appeared Wednesday night that Mr. Milosevic would let Mr. Walker stay, a senior Western diplomat said, at least as long as negotiations with the West continued. "As usual, if Milosevic concedes, it will be on an issue that he created," the diplomat said.

In Vienna, Mr. Vollebeck expressed similar views: "I am convinced that Milosevic will allow him to stay. It would be an outrageous provocation, which I do not expect from him, if he threw him out forcefully."

But Serbian officials here echoed accusations in their press that the West had

rushed to judgment too quickly in Racak, that the 45 bodies had been killed in fighting, not cold-bloodedly, and that ethnic Albanians of the Kosovo Liberation Army later mutilated the bodies, changed their clothing and dumped them in one spot to be discovered.

While such charges have been dismissed out of hand by American officials, French officials say they are taking them more seriously, while urging the kind of international forensic investigation that Washington also wants. The Serbs have agreed to allow some Finnish forensic scientists to see at least some of the bodies.

Washington and the West are also insisting that Mr. Milosevic resume full cooperation with the international community in Kosovo by living up to the cease-fire agreement he signed with an American envoy, Richard Holbrooke, in October and by allowing the tribunal investigating war crimes in the former Yugoslavia access to Kosovo.

The chief prosecutor of the tribunal, Louise Arbour, was not allowed into Kosovo without a visa, and returned to The Hague on Wednesday.

That action fits with the general Serbian position that there are no war crimes in Kosovo because there has been no war there, the diplomats said. But they also noted that the tribunal has been allowed to open an office in Pristina and that Ms. Arbour has previously visited Belgrade.

The October deal was negotiated under the pressure of imminent NATO bombing and even then was full of holes, American officials have conceded.

The deal saved many refugees from dying of the cold and has restrained

See BELGRADE, Page 6

AGENDA

U.K. Party Chief To Step Down

LONDON (Reuters) — Paddy Ashdown, the leader of Britain's minority Liberal Democrats, announced Wednesday that he would step down from his post after the European Parliament elections in June.

"I think it will be good for the party to have a new leader in the summer, with new energy and new ideas," Mr. Ashdown, 57, told a meeting of his 46-strong parliamentary party. He also said he would quit as an MP at the next general election. Mr. Ashdown became leader of the party in 1988.

U.S. to Spend More For Missile Defense

WASHINGTON (Reuters) — The United States said Wednesday that it planned to spend an additional \$6.6 billion on a national missile defense program to counter a growing threat from rogue states and also said that it would try to modify a treaty with Russia if necessary to allow the system to be deployed.

Secretary of Defense William Cohen said the funding was designed to fight a growing threat to troops abroad and Americans at home.

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Chinese Gets 2 Years for Providing E-Mail Listings

By Seth Faison
New York Times Service

SHANGHAI — A court here sentenced a computer engineer Wednesday to two years in prison for an e-mail-related crime in a case watched closely by people monitoring China's growing use of the Internet and official efforts to control it.

Shanghai Number One Intermediate Court ruled that Lin Hai, 30, committed a subversive act last year when he sent 30,000 e-mail addresses to VIP Reference, an electronic publication based in the United States that Chinese authorities consider hostile to Beijing.

Mr. Lin, who was arrested last March, ran a software company that set up Web sites and offered other

Internet-related services. Mr. Lin's wife, Xu Hong, said her husband was uninterested in politics and was simply exchanging e-mail addresses to build up a database for his on-line business.

Prosecutors argued in court proceedings last month that the list provided by Mr. Lin was later used to distribute "large numbers of articles aimed at inciting subversion of state power and the socialist system."

Editors at VIP Reference, one of many electronic publications that distribute news about China, say that they send information to 250,000 e-mail accounts in China. Efforts to restrict the exchange of political information on the Internet, these editors contend, has become impossible because of the volume and variety of electronic commerce.

Chinese officials formally embrace use of the Internet as a necessary part of efforts to modernize their economy and society. At the same time, special task forces monitor political content on the Internet and block some Web sites that carry information that Beijing deems unfriendly.

No one knows the true size of Internet use in China, because many users share accounts, but one recent official estimate said that 2.1 million people in China were on the Internet by the end of 1998, up from 670,000 a year earlier.

In such a fast-growing environment, the case against Mr. Lin looks like a throwback to an era when Beijing

See CHINA, Page 4

Newsstand Prices	
Bahrain	1,000 BD
Cyprus	£ 1.00
Denmark	17 DKr
Finland	12.00 FM
Gibraltar	£ 0.85
Greece	£ 1.00
Great Britain	£ 1.00
India	£ 5.50
Japan	¥ 1,250
Korea	¥ 1,250
Malta	£ 1.00
Nigeria	£ 1.00
Oman	£ 1.00
Qatar	£ 1.00
Romania	£ 1.00
Saudi Arabia	£ 1.00
South Africa	£ 1.00
Spain	£ 1.00
Switzerland	£ 1.00
Taiwan	£ 1.00
U.A.E.	£ 1.00
U.S. & Canada	\$ 1.20
Zimbabwe	£ 1.00

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Historians Agree/Deconstructing the Impeachment

It's All a Morality Play, Not a Trial

By Ken Ringle
Washington Post Service

WASHINGTON — Anyone who thinks the impeachment trial is just about William Jefferson Clinton, his behavior and his opponents should think again.

For what is under way, according to a number of historians on language, ethics and history, is one of the great morality plays of this century: a contest for the moral soul of the United States of America.

It is not really about Monica Lewinsky or Linda Tripp or lying or perjury or thong underwear and cigars in the Oval Office. Nor has the controversy about it been just about partisan political gamesmanship between the president's Democratic supporters and the Republican forces on the other side.

"It is about something far deeper and more basic to our culture," said Jan Shippers, a historian who has studied Christian conservatism in America's cities. "It is about the behavioral boundaries once defined by class but increasingly in flux everywhere, not just since the 1960s but really ever since World War II."

To George Lakoff, author of "Moral Politics: What Conservatives Know That Liberals Don't," the key to understanding the impeachment battle is to ask why conservatives seem intent on suicidal politics — all the polls show Americans favor leaving Mr. Clinton in office.

The answer, he says, is that accountability and punishment are fundamental to what conservatives see as the structure of American society. It is the "stern father" model of an American family, according to Mr. Lakoff, with the president as a figure of moral authority.

Mr. Clinton's liberal supporters, Mr. Lakoff says, model American society on the "nurturing parent" concept. To them, the president is less a figure of moral authority than a helpful and powerful friend. And the proper response to his transgressions in office is not punishment but having him do more "good deeds" for all the people he betrayed, like the list of social programs Mr. Clinton proposed in his State of the Union address Tuesday.

At the annual meeting in Washington this month of the American Historical Association, historians from Notre Dame to the University of Texas echoed Mr. Shippers' and Mr. Lakoff's view of impeachment as a surrogate battleground for culture wars over issues from abortion and race to economics and gay rights. But these two go further.

The trial now taking place in the Senate "is about two very different but equally sincere ways, not only of looking at American society, but of thinking and talking about it," said Mr. Lakoff, a professor of linguistics and cognitive science at the University of California, Berkeley. And it is nowhere near as simple as it is often pictured: Mr. Clinton's baby boom generation against everybody else.

"Are you kidding?" said Ms. Shippers, of Indiana University-Purdue University at Indianapolis. "The baby boomers are the very ones fueling the growth in fundamentalist churches!"

To Mr. Lakoff, the fundamental split works like this: Accountability and discipline are less important to liberals than nurturing is. But to conservatives they are the foundation of American character. "To conservatives, without them the whole house of cards comes down."

His book "Moral Politics" appeared in 1994, well before the current scandal broke. But during the House impeachment debate, "I was stunned," he said. Mr. Clinton's opponents argued for punishment of moral transgression. His defenders saw greater morality in leaving him in office to help the disadvantaged. "Both sides could have been reading from its pages," the author said.

Ms. Shippers sees as much polarity in the impeachment debate as Mr. Lakoff does. But she approaches the battle



The GI Bill of 1944 'transformed the class structure of an entire nation' by boosting into the middle class servicemen back from World War II.

slightly differently. To her, the roots of the nation's present political and cultural split lie not in the Woodstock riots of the 1960s blamed by many cultural historians, but in the passage of the GI Bill of Rights in 1944.

That bill, with its promise of college and home ownership for returning World War II veterans, she says, "did what nothing else in history probably ever has: It transformed the class structure of an entire nation almost overnight."

Sons and daughters of farmers and factory workers, often breadwinners of the 1930s, whose lives might well have duplicated their parents', instead found themselves suburban college graduates in the 1950s, living a middle-class lifestyle for which they were often ill prepared.

The structures of class and community, both urban and rural, "pretty much defined acceptable limits of behavior" in the 1930s, Ms. Shippers said. But the mobility and turmoil of World War II fractured all that, and the GI Bill boosted the majority of Americans into the middle class.

As magnificent an achievement as that was, she said, "You see during the 1950s a major change in the way ordinary people spend their leisure time: a cocktail party culture at every level, a growing divorce rate and other signs of loosening behavioral boundaries you just didn't see widely before that outside the upper class."

Ms. Shippers regards the turbulent 1960s and 1970s as an accelerated loosening of these bounds.

Mr. Lakoff sees that era as a whole generation reacting against the "stern father" governmental model of the 1950s and earlier, which served so well for the Depression and World War II.

BABY BOOMERS demanded a different, "nurturing" government in its place, a government that recognized that economic plenty alone was not enough. Their rebellion inevitably triggered a backlash: a whole segment of America frightened by the eroding structures of family, community and nation, frantically reaching out for rules, both old and new.

Ms. Shippers finds evidence of that backlash in the explosive growth of televangelism and the Religious Right. Mr. Lakoff sees it in the philosophical regrouping of American conservatives following the debacle of Barry Goldwater's 1964 presidential race.

The moral high ground was held in the 1960s and early 1970s by the pro-civil rights, anti-war left. Mr. Lakoff says. Conservatives, he said, were widely perceived "as not very bright" — hawkish, penny-pinching, racist naysayers, opposing all governmental programs without any positive agenda of their own to advance.

"To their great credit, they sat down and raised money and set up these think tanks to redefine conservatism in positive terms," Mr. Lakoff said. "And with Ronald Reagan you see it framed and advanced in terms of moral issues, with a family values metaphor that the American people understand and accept."

President Clinton, Mr. Lakoff says, is anathema to conservatives on two counts: He views government as a "nurturing parent" like the liberal he truly is, but he talks the conservatives' family values talk in successfully selling his agenda.

"To liberals, moral authority comes from a president's success in meeting public needs. This Clinton has done. Thus the public, being largely liberal by instinct, view him as a moral president, however they may view him as a man. To conservatives, on the other hand, moral authority is embodied in the presidency itself. They quite sincerely believe that if we all close our eyes to a lying, philandering president, the republic is going to crumble."

Angola Call to Duty Is, 'Hey, You!'

By Donald G. McNeil Jr.
New York Times Service

LUANDA, Angola — In the office where he is a typist, 24-year-old Paulo said, he sits near a front window overlooking the street. If he sees soldiers grabbing young men, he slips out the back. But when he was in high school, he had no warning.

"I was walking with two girls," he recalled. "And they called me. I was too close to them, so I couldn't run."

"Even though my identification card said I was underage — and that was true — I was big," he continued, puffing out his chest. "They insisted I was old enough, and they grabbed me and took me to a police station. It was full of kids."

"They put me in a cell with the other kids while the cops went to get trucks. When they came they took us to a training camp, far away where you don't know anyone."

"I was very lucky. A neighbor saw me being taken and told my mother. My uncle is a policeman, and he talked to the station commander. When the rest of the guys were loaded on the trucks, my uncle got me out."

The young man, who declined to give his surname, was describing army recruitment, Angolan style.

Now that the war in this country has again grown so fierce that the United Nations is on the verge of abandoning its peace observer mission here, the fear of such "press gangs" is once more very real. As fighting spreads and the war in the Congo consumes other troops, the government needs replacements for its combat units.

But after 30 years of civil war, volunteers are scarce for the "wastelands of glory" that have sent one-legged men and other wounded veterans back to beg on the streets of Luanda.

Angola does not have a consistent military draft system, but in times of need, the government has demanded that young men register and then called them to service.

Historically, during periods of crisis, though, neither the government nor the rebels have been shy about simply seizing the recruits they needed.

It has not yet come to that in Luanda. A period of draft registration started this week for 18- to 20-year-olds, and lines formed around police stations as the young men lined up to comply. But some stations quickly ran out of registration forms, for the second day in a row, leaving crowds of young men milling around aimlessly.

Some were angry. At a center in the Mainganga neighborhood, the rumor spread that there were 170 exemption

cards to be handed out in the district and that 160 had been sold to rich families.

At the Mainganga center, Silas Ignacio, 18, said he had been there at 7 A.M. to do his duty by signing up, but that he had no taste for the war. Twenty years ago, he said, when men his father's age were fighting alongside Cuban instructors to drive out the South Africans helping the leftist rebels, he would have gone willingly.

"When your country is invaded, you have to defend it," he said. "But in this case, we don't want to make fire on our brothers."

All the young men had heard that their foe, the National Union for the Total Independence of Angola, uses child soldiers. Osman Silva, 19, said the rebel group, known worldwide by its Portuguese acronym, Unita, had forcibly conscripted his sister when she was 17.

Asked how he would feel about possibly facing women and children in combat, Simon Luis Manuel, 18, said: "It would make me very sad. I feel bad for these kids, 10, 12 years old, raped in like that."

None had heard anything enticing about military life. Manuel said his elder brother had come back from years of service missing an eye, disabled and mentally unbalanced. "He is in the street now," he said. "He gets no support from the government."

Unicef Seeks Aid to Protect War's Innocents

By John M. Goshko
Washington Post Service

UNITED NATIONS, New York — The United Nations Children's Fund appealed Tuesday for \$136 million in emergency aid to help protect an estimated 48 million women and children in 20 countries who are endangered by war and other forms of violence and exploitation.

"The entire picture of war in the world has changed," Carol Bellamy, the executive director of Unicef, said as she inaugurated the campaign for donations from UN member states. "Children and women are not only the first casualties in armed conflict. They are being delib-

erately targeted and are being forced to take part in these conflicts."

To counter these threats, she said, Unicef is seeking funds to improve its programs and to make governments, armed forces and peacekeeping personnel aware of their legal responsibilities toward children. She also said the newly created International Criminal Court should be empowered to pursue those who target children and women and who force children to become soldiers.

As recently as four years ago, Unicef officials said, the organization was working in 15 countries gripped by civil war. Now there are 55 countries in which situations exist that threaten the lives and welfare of children.

Today, most armed conflicts are not between states but between opposing groups within a single state, and there is greatly diminished respect for the sanctity of schools, hospitals and other havens that traditionally had been considered off limits.

That is particularly true, the officials said, in Africa, Central America, Afghanistan, some states of the former Soviet Union and in the republics of the former Yugoslavia. At a time when the world has been horrified by the murders in Kosovo of 45 ethnic Albanians, the officials said, hundreds of thousands of children and women in the province are without basic shelter, health services or education.

WEATHER

Europe

Forecast for Friday through Sunday, as provided by AccuWeather.

	Today	Low	High	Low	High
Algeria	50-55	50-55	50-55	50-55	50-55
Andorra	50-55	50-55	50-55	50-55	50-55
Austria	45-50	45-50	45-50	45-50	45-50
Belgium	45-50	45-50	45-50	45-50	45-50
Bulgaria	45-50	45-50	45-50	45-50	45-50
Croatia	45-50	45-50	45-50	45-50	45-50
Czechia	45-50	45-50	45-50	45-50	45-50
Denmark	45-50	45-50	45-50	45-50	45-50
Egypt	45-50	45-50	45-50	45-50	45-50
France	45-50	45-50	45-50	45-50	45-50
Germany	45-50	45-50	45-50	45-50	45-50
Greece	45-50	45-50	45-50	45-50	45-50
Hungary	45-50	45-50	45-50	45-50	45-50
Ireland	45-50	45-50	45-50	45-50	45-50
Italy	45-50	45-50	45-50	45-50	45-50
Japan	45-50	45-50	45-50	45-50	45-50
Korea	45-50	45-50	45-50	45-50	45-50
Latvia	45-50	45-50	45-50	45-50	45-50
Lithuania	45-50	45-50	45-50	45-50	45-50
Malta	45-50	45-50	45-50	45-50	45-50
Netherlands	45-50	45-50	45-50	45-50	45-50
Norway	45-50	45-50	45-50	45-50	45-50
Poland	45-50	45-50	45-50	45-50	45-50
Portugal	45-50	45-50	45-50	45-50	45-50
Romania	45-50	45-50	45-50	45-50	45-50
Slovakia	45-50	45-50	45-50	45-50	45-50
Slovenia	45-50	45-50	45-50	45-50	45-50
Spain	45-50	45-50	45-50	45-50	45-50
Sweden	45-50	45-50	45-50	45-50	45-50
Switzerland	45-50	45-50	45-50	45-50	45-50
Taiwan	45-50	45-50	45-50	45-50	45-50
Turkey	45-50	45-50	45-50	45-50	45-50
Ukraine	45-50	45-50	45-50	45-50	45-50
United Kingdom	45-50	45-50	45-50	45-50	45-50
USA	45-50	45-50	45-50	45-50	45-50

North America

A huge storm will traverse the eastern half of the country. Windy, there will be rain. Severe storms and tornadoes may hitting from the south while flooding from rain in the north. A low pressure system will be the threat further north. Snow will blanket the Upper Midwest. Another storm will sweep the Northeast.

Europe

Mild and dry weather will span most of central and southern Europe during the period, but there will be rain at times from London and Paris through Amsterdam, Copenhagen and Stockholm. Madrid may have rain on Friday, but the weekend will be dry.

Asia

Mild with spotty showers around Seoul and Tokyo at the end of the week, but mostly dry weather will continue in Beijing. Some rain is possible in Shanghai and Hong Kong, making weekend. Taiwan after the weekend. Wet weather may spread across northern India. Showers will be hot and muggy.

Maps, forecasts and data provided by AccuWeather, Inc. ©1999 - <http://www.accuweather.com>

North America

	Today	Low	High	Low	High
Anchorage	44-47	-19-0	-25-0	19-11	1
Atlanta	50-55	11-52	16-58	10-50	1
Boston	50-55	1-54	16-58	30-5	1
Chicago	74-78	32-58	74-74	10-14	1
Colorado	21-25	1-54	17-25	10-14	1
Denver	74-78	32-58	74-74	10-14	1
Florida	50-55	11-52	16-58	10-50	1
Honolulu	50-55	11-52	16-58	10-50	1
Houston	50-55	11-52	16-58	10-50	1
Los Angeles	50-55	11-52	16-58	10-50	1
Manila	50-55	11-52	16-58	10-50	1

	Today	Low	High	Low	High
Minneapolis	44-47	-19-0	-25-0	19-11	1
Moscow	50-55	11-52	16-58	10-50	1
New York	50-55	11-52	16-58	10-50	1
Osaka	50-55	11-52	16-58	10-50	1
Philadelphia	50-55	11-52	16-58	10-50	1
San Francisco	50-55	11-52	16-58	10-50	1
Seoul	50-55	11-52	16-58	10-50	1
Shanghai	50-55	11-52	16-58	10-50	1
Singapore	50-55	11-52	16-58	10-50	1
Tokyo	50-55	11-52	16-58	10-50	1

Middle East

	Today	Low	High	Low	High
Algeria	50-55	10-55	20-74	14-51	1
Andorra	50-55	10-55	20-74	14-51	1
Austria	50-55	10-55	20-74	14-51	1
Belgium	50-55	10-55	20-74	14-51	1
Bulgaria	50-55	10-55	20-74	14-51	1
Croatia	50-55	10-55	20-74	14-51	1
Czechia	50-55	10-55	20-74	14-51	1
Denmark	50-55	10-55	20-74	14-51	1
Egypt	50-55	10-55	20-74	14-51	1
France	50-55	10-55	20-74	14-51	1
Germany	50-55	10-55	20-74	14-51	1
Greece	50-55	10-55	20-74	14-51	1
Hungary	50-55	10-55	20-74	14-51	1
Ireland	50-55	10-55	20-74	14-51	1
Italy	50-55	10-55	20-74	14-51	1
Japan	50-55	10-55	20-74	14-51	1
Korea	50-55	10-55	20-74	14-51	1
Latvia	50-55	10-55	20-74	14-51	1
Lithuania	50-55	10-55	20-74	14-51	1
Malta	50-55	10-55	20-74	14-51	1
Netherlands	50-55	10-55	20-74	14-51	1
Norway	50-55	10-55	20-74	14-51	1
Poland	50-55	10-55	20-74	14-51	1
Portugal	50-55	10-55	20-74	14-51	1
Romania	50-55	10-55	20-74	14-51	1
Slovakia	50-55	10-55	20-74	14-51	1
Slovenia	50-55	10-55	20-74	14-51	1
Spain	50-55	10-55	20-74	14-51	1
Sweden	50-55	10-55	20-74	14-51	1
Switzerland	50-55	10-55	20-74	14-51	1
Taiwan	50-55	10-55	20-74	14-51	1
Turkey	50-55	10-55	20-74	14-51	1
Ukraine	50-55	10-55	20-74	14-51	1
United Kingdom	50-55	10-55	20-74	14-51	1
USA	50-55	10-55	20-74	14-51	1

Legend: c=cloudy, dr=dry, sh=showers, h=heavy rain, r=rain, s=snow, tu=turkey, w=wind, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, x=x, y=y, z=z, a=a, b=b, c=c, d=d, e=e, f=f, g=g, h=h, i=i, j=j, k=k, l=l, m=m, n=n, o=o, p=p, q=q, r=r, s=s, t=t, u=u, v=v, w=w, 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ASIA/PACIFIC

Philippines Is Stymied In Dispute With China

Manila, Claiming It Owns a Nearby Reef, Has Few Friends and Even Fewer Options

By Michael Richardson
International Herald Tribune

SINGAPORE — When the Philippines takes the unusual step of convening its National Security Council on Thursday to discuss tension with China over conflicting claims to ownership of Mischief Reef close to Philippine territory, it will have to acknowledge that its military and diplomatic options are limited.

President Joseph Estrada says that Manila is considering another protest over China's tightening grip on the reef, about 300 kilometers (185 miles) off the Philippines.

This is well within the Philippines' 200-mile exclusive economic zone as defined by the United Nations Convention on the Law of the Sea. It is some 1,300 kilometers from China's Hainan Island, the nearest uncontested Chinese territory.

In advance of the council meeting — its first since November 1995 — the Philippine defense secretary, Orlando Mercado, conceded that the poorly equipped Philippine armed forces, especially the navy and air force, could do little to counter any Chinese armed presence on or near the reef, a part of the disputed Spratly Islands in the South China Sea.

Moreover, a recent Philippine attempt to involve other claimants — including fellow members of the Association of South East Asian Nations and the United States in a new initiative to resolve the dispute — has fallen flat because they do not want to provoke China, analysts say.

"The Chinese skillfully timed their expansion when ASEAN is preoccupied by the Asian financial crisis and the Clinton administration is distracted by impeachment," said Douglas Paul, president of the Asia Pacific Policy Center in Washington.

Lack of support has disappointed Manila, where officials insist that the issue should be of international concern because it involves the use of force, or threat of force, by the region's emerging big power, China, which claims control not just of the Spratlys but virtually all of the South China Sea.

If Beijing's claim was conceded or enforced, it would become a next-door neighbor to just about every Southeast Asian country. China would also take over rich offshore oil and gas fields and

fisheries and be in a strong position to control vital sea-lanes.

"We have a mutual defense treaty with the United States," Mr. Mercado said recently. "It is in the interest not only of the U.S., but also of Japan, South Korea and all other countries that this particular area be kept free as a sea-lane from the dominant control of one power."

He said that China had been employing "a talk and take strategy" in its dealings with the other Spratly Island claimants. They include Vietnam, Malaysia, Taiwan and Brunei, as well as the Philippines.

Mr. Mercado said that Manila expected the Chinese to complete the permanent structures they have been building on Mischief Reef, which they first occupied in 1995, by the end of the month. Beijing says the structures are shelters for Chinese fishermen, but Manila says they appear more like a fortress and could be used as a naval base.

Ralph Cossa, executive director of the Pacific Forum CSIS foreign policy research institute in Hawaii, said that he had seen recent photographs of the Chinese buildup on the reef.

"A series of concrete structures have been built, complete with military communications facilities, and guarded by Chinese naval ships and anti-aircraft artillery," he said. "The facilities represent a clear, unambiguous change in the previously agreed status quo."

Yet when Mr. Mercado called recently for a meeting of Spratly Island claimant countries and the United States to help resolve the dispute, Malaysia and Vietnam — both members of ASEAN, along with the Philippines — objected to the proposal, saying the matter should be settled by the claimants themselves.

The United States, too, seemed eager not to get involved. "We have not taken a position on the sovereignty of the Spratlys," said the Pentagon spokesman, Ken Bacon. "This is an important issue, but it's an issue we believe will be, and should be, resolved peacefully."

China rejected the Philippine proposal for an international forum on the Spratlys that would include the United States.

A spokesman for the Chinese Foreign Ministry, Sun Yuxi, said that "external interference in this matter is unacceptable and will only complicate the current situation." He added that China had "indisputable" sovereignty over the Spratlys and adjacent islands.

CHINA: 2-Year Prison Term in E-Mail Case

Continued from Page 1

had tighter control of the spread of information. It may also reflect a decision by the authorities to make an example of someone seen to be helping a publication like VIP Reference, if only indirectly.

Mr. Lin's two-year sentence is relatively light for a charge of political subversion in China. In a recent crackdown on efforts to set up a democratic party, three leading dissidents were sentenced to 11 to 13 years in prison.

In a country where official media offer dull versions of the news, some Chinese on-line services provide flashy news accounts that do not go through the same official censors as do newspapers, television and radio.

Although the Chinese authorities would clearly like to maintain their once-firm control over access to information, they are steadily becoming overwhelmed by the growth in communication — by phone, fax and now, by Internet — that has come with efforts to modernize the Chinese economy.

The Xinhua news agency reported Wednesday that a recent survey of people aged 14 to 28 had found an overwhelming hunger for access to the Internet. But 69 percent of those surveyed said they had no way to get on-line.

Only 3.4 percent of the young people said they surf the Internet regularly. At the same time, only 7 percent said they had no interest in the Internet and 6 percent said they had not heard of it.



FATAL FLOTILLA — Naval frogmen searching a river at Lumban, 100 kilometers southeast of Manila, on Wednesday after a pagoda being ferried got tangled in electric wires, causing the deaths of at least 13 of the 200 people in the floating procession.

Anti-U.S. Plot in India Is Foiled

Militant Islamist Intended to Bomb 2 Consulates, Police Say

By Celia W. Dugger
New York Times Service

NEW DELHI — The police here say they have foiled a plot to bomb American consulates in Madras and Calcutta with the arrest of a Bangladeshi man who has confessed to being a Pakistani intelligence agent working with an Islamic fundamentalist group that sponsors terrorist acts.

Officials from the U.S. Embassy interviewed the man, Sayed Abu Nasir, 27, during his 11-day interrogation by New Delhi police officers and Indian intelligence authorities. A team of American counter-terrorism experts arrived here Tuesday to further investigate the case, a spokeswoman for the U.S. Embassy said.

"Obviously, we're working with the police, and we take it very seriously," said the spokeswoman, Donna Roginski. "How credible it is — that's all being looked at."

The police arrested Mr. Nasir on Jan. 7 at the New Delhi railway station and charged him with waging war on India, an offense punishable by life in prison or death. He was carrying more than 4 pounds of RDX, an explosive, and five detonators.

He is now in the custody of the courts and will soon be transferred to the police in West Bengal for further questioning.

His confederates, four men from Egypt, two from the Sudan and one from Burma, are still at large, the police said.

One of the Egyptians, identified in the police press release as Mustafa, is wanted in connection with an explosion that took place at an American consulate in Thailand several years ago, authorities in New Delhi said. The police say they do not know who was backing the six other men.

All seven men crossed the porous border between Bangladesh

and West Bengal last October on their bombing mission and subsequently traveled to Madras and Calcutta to survey the American consulates for possible openings for an attack, the police said.

Kamal Singh, a deputy commissioner of police, said that Mr. Nasir originally tried to bluff the police with lies, but eventually broke down when they caught him at it and then gave his interrogators many details. He added that the suspect passed lie-detector tests and was able to identify photographs of terrorists arrested by the Indian police.

The police said they were also able to confirm the places that Mr. Nasir stayed and people he met in Calcutta and Madras after he came to India in October.

According to Mr. Singh, this is the account that Mr. Nasir gave the police.

Mr. Nasir said he first hooked up with the International Islamic Relief Organization, a charitable group that eventually led him into terrorism, in Dhaka in 1991 after he graduated with a B.A. degree in English from Changoan University in Dhaka.

The International Islamic Relief Organization wound up hiring him in 1992, he was posted to Thailand. Then in January 1994, he was sent to Lahore, Pakistan, as a field officer.

It was in Pakistan that members of the relief group told him that some of the group's relief funds were being diverted to support 40 to 50 terrorist training camps in Afghanistan and Pakistani-occupied parts of Kashmir. Mr. Nasir's job was to visit the camps, assess how much money they needed and report back to headquarters.

Some time later, the director of the International Islamic Relief Organization for Asia, Sheikh Ahmed Al Gaudin, asked him to undergo training at one of the

camp. While Mr. Nasir was at the camp in Afghanistan, he met Osama bin Laden.

He was also picked out by Brigadier Malik of Pakistan's Inter-Services Intelligence agency to become a Pakistani intelligence agent and was given further training in intelligence gathering and counter espionage, Mr. Nasir told the police.

In 1996, he was sent through Nepal to Siliguri, a city in the Indian state of West Bengal, to develop contacts and gather information on Indian army establishments there.

He was subsequently recalled to Pakistan, then sent to Calcutta.

In 1998, Mr. Nasir said, his Pakistani intelligence handler, Brigadier Malik, got in touch with him and told him to go to Dhaka for a meeting. Two of the men who would later be his accomplices in India came for him and took him to that meeting in mid-September.

The meeting was attended by Azam Cheema, a leader of the terrorist group Lashker-e-Taiba, and Sheikh Al Gaudin, president of the International Islamic Relief Organization, Asia, among others.

A few weeks later, Mr. Nasir and the six other men were sent across the Bangladesh border into West Bengal on a mission to blow up the American consulates in Calcutta and Madras. Mr. Nasir said he did not know why those particular targets were chosen. The men spent a month in Calcutta and then went on to Madras.

While the other six men stayed in Madras, Mr. Nasir came to Delhi to set off some explosions in public places and was arrested after he received his consignment of explosives at the railroad station.

Religious Clashes Erupt in Indonesia

The Associated Press

JAKARTA — At least 17 people were killed when Christians and Muslims clashed on a remote Indonesian island during one of the holiest feasts on the Islamic calendar, the police said Wednesday.

The police repeatedly fired warning shots to keep rival gangs, carrying machetes, spears, and crow bars, apart on Ambon Island, about 2,300 kilometers (1,440 miles) northeast of Jakarta.

The mobs were enraged by reports that mosques and churches had been set on fire.

The local police chief, Colonel Karyono S.M., said six houses of worship had been burned and that dozens of vehicles were damaged during Eid al-Fitr. The two-day holiday marks the end of Islam's Ramadan fasting month and is supposed to be a time of peace and reconciliation.

The official Amara news agency said at least 100 people had been badly injured and more than 30 houses burned. Residents said they could see several columns of smoke rising over the main city, also named Ambon.

The trouble started Tuesday night when Christians and Muslims clashed at two villages. The violence later spread to Ambon city and other nearby villages.

Sporadic fighting continued Wednesday night after 700 riot police and troops were deployed. The island's airport was shut down except for military flights that brought in reinforcements from other islands.

"The situation is relative calm now," Colonel Karyono said. "But we are still worried that trouble could start again."

The violence was the latest in a series of religious-related clashes to hit the sprawling Southeast Asian nation as it grapples with its worst economic crisis in three decades.

Governor Saleh Lamconina of Maluku province called for calm at emergency talks with local Islamic and Christian leaders.

"If this is allowed to continue a more serious disaster could take place," he said. In a separate riot in Cirebon, about 200 kilometers east of Jakarta, gangs fought each other and threw rocks at police Tuesday and Wednesday.

BRIEFLY



RENEWING THE FAITH — Archbishop Gian Vincenzo Moreni, papal nuncio, left; Cardinal Jaime Sin of Manila and Cardinal Jose Sanchez, another papal envoy, opening a church conference Wednesday in the Philippines on social issues.

New Charges by Pyongyang

GENEVA — A North Korean negotiator suggested Wednesday that the alleged kidnapping of one of his country's diplomats could block any progress at the Geneva talks on a peace pact for the Korean Peninsula.

Li Gun, deputy chief of Pyongyang's team at the talks, said the incident showed that the United States and South Korea, which are taking part in the talks with the North and China, "are not willing to work with us for peace."

Pyongyang has accused the South of blackmailing and kidnapping the envoy, a 54-year-old economic official in North Korea's mission in Berlin, and his wife, and handing them over to the United States.

Seoul has rejected the accusation as "an absurd slander," and South Korean newspapers have quoted official sources as saying the diplomat, Kim Kyong Pil, had defected and was seeking political asylum in Washington. (Reuters)

Protester Sets Himself Afire

BOMBAY — A Hindu militant set himself on fire in southern India on Wednesday to protest a planned series of Pakistani-India cricket matches after a gap of more than a decade, a domestic news agency said.

The protester set himself on fire in Madras, the venue of the first cricket test match beginning Jan. 28, and was hospitalized with serious burns, Press Trust of India said.

The agency did not identify the man but said he belonged to a Hindu militant group, Hindu Munani, that is active in Tamil Nadu state. The Pakistani cricket team is scheduled to arrive in New Delhi on Friday. (AP)

Taiwan Repatriates Hijackers

BEIJING — Taiwan has decided to repatriate nine hijackers back to the Chinese mainland, official news agencies in Taiwan and China said Wednesday.

China welcomed the decision and urged Taiwanese authorities to send back all other Chinese hijackers as soon as possible. China's state-run Xinhua press agency said. Topping China's wish list was Yuan Bin, an Air China pilot who faces trial in Taiwan for diverting a jet to the island on Oct. 28.

The issue of repatriating hijackers is a sore point for China, which sees Taiwan as a renegade province and demands that hijackers be returned. Taiwan has usually tried them in its courts. (AP)

Rights in China Slip, U.S. Says

WASHINGTON — The Clinton administration told Congress on Wednesday that human rights conditions were worse in China than before President Bill Clinton's visit there last summer.

At the same time, the State Department's chief human rights official said Wednesday, China has shown modest improvements in other areas, such as acting against weapons proliferation.

"For someone who cares deeply about human rights, recent developments in China have been, frankly, deeply discouraging," Assistant Secretary of State Harold Hongju Koh told the House International Relations Committee.

Committee lawmakers from both parties denounced administration policy toward China as too lenient. (AP)

Playful Saint Laurent Shows His Colors

By Suzy Menkes
International Herald Tribune

PARIS — Yves Saint Laurent showed his colors in a playful collection on Wednesday — the closing day of the spring-summer high fashion season.

The ring of pink roses on a barely there bikini, worn by the pouting model-turned actress Lætitia Casta, changed the expected reverent ovation into a merry romp. Saint Laurent kissed all his models and lingered on the runway as though he had shaken off his poetic angst and was having a good time.

The wedding outfit summed up the saucy spirit of a collection in which every sober mannish jacket contained a bosom-full of sheer chiffon, with the same fabric fluttering through the belt loops of pleat-front pants.

In the air, literally as well as figuratively, was Saint Laurent's new fragrance, Vice Versa. The designer who invented the man/woman thing a generation ago, played on gender, con brio.

Jazz classics on the velvet-voiced sound track echoed the way that Saint Laurent had jazzed up his eternal themes. The familiar pantsuits were given a touch of "Showboat" with jaunty straw boaters and a parade dominated by black models.

When Naomi Campbell first appeared with a black lace brassiere-bow partnering her pantsuit, the message was clear. Only when the pants-

suits came cropped as shorts or a couple of floppy dresses spelled "matron" did the show lose its perkiness.

Invention turned into convention a decade ago at Saint Laurent, so the show contained no fashion revelations. It still seems frustrating that such a sensitive designer cannot stretch to using new-generation fabrics, relying instead on the weighty suiting materials that make jackets that are already wide-cut look heavy.

The other key fabrics could have been listed in advance: satin as thick as double cream for dresses flowing across the body; sturdy grain de poudre for the tuxedo in its infinite variations, and silk crepe or gauzy chiffons in succulent colors.

But who's to argue with a master who could teach every other designer in Paris how to handle color — and how to enrich black? The palette included luscious mixes of celadon green with tridescent old rose; bold strokes of purple, peony pink or peacock blue. On the whisper-quiet side were black lace with navy chiffon and a whiff of cigar brown.

With few embroideries, decoration came as jeweled hand-pieces or simple white gardenias.

The show lacked the moment of epiphany that comes when you feel that Saint Laurent has struggled to reveal his fashion soul. But it was refreshing to see smiling models and the going-to-church atmosphere lightened up.

And no one was more delighted than Alber Elbaz, 37, who will make his debut as Saint Laurent ready-to-wear designer in March. Before the show, when his curly hair peeped between the cropped heads of Zizi Jeanmaire and Ines de la Fressange, Elbaz was prescient.

"I feel happy, so I hope it's going to be a happy collection," he said. Another dauphin was front row at Balmain, where incoming ready-to-wear designer Gilles Dufour watched the haute couture collection by social hero Oscar de la Renta.

"I loved the Indian feeling with the paisley embroideries on pale colors," said Dufour, referring to a recurring theme in the show.

Those paisley patterns appeared on anything from a caftan (a familiar de la Renta signature) through an up-with-the-bosoms Empress Josephine gown, and even on the wedding dress.

HOW smart de la Renta! He must have been looking forward to the embroidered pashmina shawls worn, almost to a woman, by his impressive front row — by far the longest client lineup of the Paris season.

If you want paisley — there it was, even on the purses. You prefer something to set off the shawl you already own? Then there were plenty of cream jackets and pants, faintly ethnic in style and texture, but in luxe fabrics.



Balmain's embroidered caftan by de la Renta; Saint Laurent with rose-strewn bride.



Since the Balmain show had no real focus, there was yet more to choose from: conventional cocktail dresses or full skirts with open work embroidery. They had a haute rustic charm, as the models walked through the box hedges and past stone statues of an imaginary formal garden.

The show was nicely worked and utterly predictable. The clothes will land up in the closets of clients who will bless de la Renta for giving them exactly what they

wanted — give or take a big faille ball skirt and sports top revealing a bare midriff. That has been doing the rounds on recent New York runways, but has yet to find a taker in the real upscale world.

The trends for the spring-summer season were for increased volume in feather-weight fabrics and for a return of color, mostly dusty pastels.

Tailoring has moved away from the body (especially at Valentino) with jackets either cardigan soft (at Chanel and Ungaro), or draped (as in Di-

or's collars or Gaultier's bias cuts). The surprising number of pants (except at Lacroix) reflects uncertainty about skirt shapes and lengths.

The season was notable for exchanging the grand, theatrical gesture for the intimate presentation and for showcasing exquisite couture workmanship.

The question is whether this new discretion can be squared with the need for a bold image to burnish the brands of increasingly corporate couture.

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INTERNATIONAL

NATO Steps Up Warning of Attack to a Defiant Milosevic

By Joseph Fitchett
International Herald Tribune

PARIS — NATO stepped itself Wednesday for possible military action against Serbia as the United States and Europe faced open defiance over Kosovo from the Serbian leader, Slobodan Milosevic.

"No flexibility in Belgrade" was the gist of a report from General Wesley Clark, the commander of allied forces in Europe, after his talks there with Mr. Milosevic the previous day. Several hours of blunt, forceful discussion yielded "little willingness to cooperate" with the international community on Mr. Milosevic's part, NATO officials said.

General Clark reportedly was equally tough in the Belgrade meeting, warning that punitive NATO attacks on military targets in Serbia would be unavoidable if Mr. Milosevic refused to budge on demands for an international investigation into the death of 45 ethnic Albanians near Racak and a pullback in Serbian forces in Kosovo.

U.S. Defense Secretary William Cohen said in Washington that the alliance should be ready to wage an air campaign that seriously curtailed Serbia's ability to use military force in Kosovo, where

Western governments are demanding self-government for the ethnic Albanian majority.

In a further indication of rising urgency in Washington, Secretary of State Madeleine Albright will visit London and Paris late next week for talks on Yugoslavia and Iraq on her way home from Russia and the Middle East.

"NATO credibility remains on the line," Mr. Cohen said at a news conference where he reiterated U.S. backing for "a phased campaign designed to reduce the ability of Milosevic's forces to threaten those in the region itself."

His comments went further than those of European officials in suggesting that NATO might be close to ordering air strikes that were canceled last October after concessions from Mr. Milosevic.

Britain and the Netherlands ordered additional fighter-bombers to NATO bases in Italy, and NATO officials announced unspecified "precautionary measures," apparently including reinforcements for the French-led extraction force that would evacuate the 700 civilian truce monitors operating in Kosovo under the auspices of the Organization for Security and Cooperation in Europe.

A NATO official said General Clark had

traveled to Belgrade with this message to Mr. Milosevic: "You are leaving the West with only a few options, all of them involving force."

General Clark is said to have warned that Serbia's air defenses and other military infrastructure would be vulnerable to missile attack and that Serbian troops in Kosovo would be in danger from allied aircraft. Deprived of mobility, Serbian troops could not continue the repression that U.S. officials cite as the root cause of the mounting violence in Kosovo, including the recent bloodbath near Racak.

The discovery of the bodies of 45 ethnic Albanian males was initially labeled a Serbian war crime by William Walker, the head of the truce-monitoring force, and U.S. officials stuck to that accusation Wednesday after French journalists, from the newspapers *Le Monde* and *Le Figaro*, visited the scene and raised questions about the circumstances of the deaths.

U.S. officials, citing reports from observers, said the bodies had been found grouped in several wooded locations outside the village, a version consistent with video footage suggesting that the local men had fled as Serbian forces approached the village, only to be gunned down by Serbian police

waiting in ambush. Some victims had apparently been shot while fleeing, the reports said.

The French journalists suggested that the men might have been killed in a gun battle and the bodies then arranged by Kosovo guerrillas to suggest an atrocity. But their reports ended on the same note as those of U.S. officials: If Serbian leaders were in any doubt about where responsibility lay for the deaths, why had Belgrade barred international forensic experts who could have established the facts?

Refusing to admit investigators from the United Nations war crimes tribunal, Mr. Milosevic reportedly reiterated to General Clark that no pressure from outside could make him change his view that Serbia was within its rights in fighting Kosovo Liberation Army guerrillas.

The guerrillas' goal — Kosovo's independence from Serbia, which makes up the bulk of Yugoslavia — has garnered no international support and thus NATO wants to avoid "becoming the air force" for the separatist guerrillas, Mr. Cohen said Wednesday. U.S. officials insisted that Serbian concessions could lead to a political accord giving effective self-government to the ethnic Albanians while leaving Kosovo part of Serbia.

Israeli Rivals Trade Taunts Over Burglary At U.S. Office

By Lee Hockstader
Washington Post Service

JERUSALEM — Prime Minister Benjamin Netanyahu suggested Wednesday that a second burglary in less than a week of the Washington post office used by his main political rival was a provocation intended to implicate unjustly his conservative Likud Party.

The burglaries at the Capitol Hill office of Stanley Greenberg, a pollster for the Israeli Labor Party leader, Ehud Barak, are a "theater of the absurd," Mr. Netanyahu told Israel Radio. "It's an attempt to spread clouds of false accusations against the Likud."

He did not specifically accuse Mr. Barak or the Labor Party, which is mounting a stiff challenge for the prime ministership in elections scheduled for May 17.

In both break-ins, the burglars apparently targeted files, computer disks and other materials related to Mr. Barak's campaign. In the second burglary, they took a two-page outline of Mr. Barak's strategic options, aides said.

Nonetheless, Mr. Barak and his advisers dismissed the idea the theft could do them damage, even if the stolen materials fell into the hands of Likud.

Mr. Barak told Israel Radio he didn't think a "failing government" could make use of the papers. "Someone is in a serious panic if he is willing to pay so much money so that people will carry out criminal break-ins," he said.

The blatant nature of the break-ins at Mr. Greenberg's office — in neither case did the burglars make the slightest effort to conceal their crime — gave rise to a bizarre guessing game.

Mr. Netanyahu's aides did their best to paint their side as the victim. Why else would the perpetrators have stolen so blatantly, if not to falsely implicate the prime minister, they asked.

The main purpose here of the Barak campaign is to paint Netanyahu as a liar and as an understanding, devious quasi-criminal," they said.

Mr. Barak's aides, responding along the same lines, said the burglaries not only succeeded in gathering confidential information, but also enabled Mr. Netanyahu to portray himself as the victim of campaign treachery.

"They've diverted the campaign," said an advisor to Mr. Barak. The agenda is now about these burglaries, rather than the issues."



The Clintons leaving the White House to visit New York state Wednesday.

CLINTON: Perjury Charges Lack 'Specificity,' Senate Is Told

Continued from Page 1

convict Mr. Clinton and remove him from office on the charges of perjury and obstruction of justice in attempting to conceal his relationship with Monica Lewinsky.

Mr. Clinton, after delivering a State of the Union message on Tuesday that resonated well with the public, according to opinion polls, left Washington on Wednesday to visit Buffalo, New York. There, he carried to the public his arguments for initiatives on education, Social Security and other matters.

The presentation by Mr. Craig was frequently more lively but sometimes more legalistic than the opening comments Tuesday by Charles Ruff, the White House counsel, whose grave demeanor and methodical defense won praise from senators on both sides of the aisle. Mr. Ruff had called the charges against Mr. Clinton "a witches' brew" of conjecture.

Mr. Craig confirmed a theme sounded by Mr. Ruff, saying that the House prosecutors had frequently placed sinister-sounding explanations on innocent language or actions to misrepresent or distort their sense. He implored senators to keep an open mind and to examine the evidence themselves.

The president's testimony before the grand jury, Mr. Craig said, "meant, and the whole world knew that it meant, that the president of the United States had

engaged in some form of sexual activity or sexual contact with Ms. Lewinsky." "You will see that the president was truthful," he said. "We believe that you will conclude that what the president did and said in the grand jury was not unlawful and that you must not remove him from office."

He strongly attacked the language of the impeachment articles, saying that while the constitution gives the House the "sole power" of impeachment, the House had, in effect, "ceded its authority to the managers, who are not authorized to exercise that authority."

The imprecision of the articles, Mr. Craig continued, "gave enormous discretion, power and authority to the floor managers and their lawyers to decide what precisely the president was going to be charged with."

"They didn't have that authority under the constitution," he said. "They have been allowed to pick and choose what allegations will be leveled against the president of the United States."

He accused the managers of trying to bring into the Senate deliberations accusations about Mr. Clinton's denials of a sexual relationship when he was deposed by the Paula Jones lawyers a year ago. Mr. Craig noted that the House had rejected a proposed article of impeachment citing the Jones deposition and added that there were "very many good reasons" for it to do that.

The confusion of Mr. Clinton's testi-

SPEECH: Seeking to Show He's Still Chief

Continued from Page 1

mony in the Jones case and before the grand jury, said Mr. Craig, was "unfair to the president." He said House managers were engaging in a "dubious, prosecutorial practice that is frowned upon by most courts."

Mr. Craig also offered a disarming apology to the Senate, the House and to the public for what many have said has been legalistic hair-splitting by the White House. "We do the president no earthly good if in the course of defending him, we offend both the judges, the jurors and the American public," he said. Mr. Craig added, however, that "allegations of legal crimes invite, indeed they cry out for, legal defenses."

Article I accuses the president of perjury before a grand jury. Mr. Clinton admitted before the Kenneth Starr grand jury on Aug. 17 that he had had an "improper intimate relationship" with Ms. Lewinsky, something he had denied in his deposition in the Jones sexual harassment case. He insisted that they did not have "sexual relations" because there was no intercourse.

On Tuesday, Mr. Ruff opened the president's defense in a methodical but sometimes biting presentation that senators of both parties later praised as tough and effective.

"Ruff blew a hole as big as a barn door in the prosecution's case," said Senator Thomas Harkin of Iowa, a Democrat who has strongly defended Mr. Clinton against the case for impeachment.

Senator James Jeffords, Republican of Vermont, called Mr. Ruff's presentation "excellent," adding, "It raised some serious questions about some of the evidence."

Representative Charles Canady, a Florida Republican who is one of the House managers, said of Mr. Ruff's presentation: "He's done the best job with what is an inherently weak case."

Mr. Ruff sought to destroy parts of the factual edifice the House prosecutors have attempted to build, and to argue that even if all the facts were proved, it would not justify the first removal of a president in U.S. history.

With flashes of sarcasm, he chided the House prosecutors for arguing the need for witnesses without having heard from witnesses during the House impeachment proceedings.

Mr. Ruff accused the House managers, who had urged Mr. Clinton's removal from office in three days of arguments last week, of irresponsibly manipulating the facts of the case, and of building their arguments with "scaling wax, string and spider webs."

Yet, several senators said that by raising questions about inconsistencies in the grand jury testimony of Ms. Lewinsky, and others, Mr. Ruff had made the prosecution's case that witnesses were needed to sort out contradictions.

The White House case is to be concluded Thursday by David Kendall, Mr. Clinton's private attorney, discussing other obstruction charges, and by the former Arkansas Senator Dale Bumpers, who agreed to join the Clinton team.

curity (and invest some of that money in the stock market), while creating new individual savings accounts, marked what could be his last-gasp effort to build a legacy to offset the stigma of impeachment that will haunt his presidency.

On Tuesday night, Mr. Clinton's audience was not the men and women of the House who voted to impeach him and those from the Senate who will decide whether to remove him from office. Instead, his audience was the public that has sustained him throughout the last year, and his underlying message to them was that the good times they are enjoying will continue — provided he stays in office.

As Paul Light of the Brookings Institution put it, Mr. Clinton was trying to tell the American people, "We're not going to rock the boat. We're going to get you to the millennium."

Mr. Light was among those not persuaded by the White House's assertion that Mr. Clinton's agenda represented something dramatically ambitious. Compared to past presidents, particularly Democratic, he said, Mr. Clinton's agenda was the least ambitious in decades. That, however, is more a reflection of the times in which the voters prefer incremental changes and small adjustments to the status quo to grand designs. Mr. Clinton offered those in abundance.

Saving his presidency has become a regular subtheme of Mr. Clinton's State of the Union speeches. That was the case in 1995 after Republicans took control of Congress. It was true again in 1996, when he used the State of the Union address to turn around his political standing and lay the foundation for his re-election campaign.

Last year, his State of the Union address came less than a week after the news broke that the independent counsel Kenneth Starr had expanded his investigation of Mr. Clinton to include his relationship with Ms. Lewinsky. After the speech, his poll numbers shot up and have remained high ever since, despite 12 months of investigation and impeachment.

On Tuesday night he came to the House chamber with an even greater sense of urgency to show he was still in command.

Clinton Outlines Plan for Surplus

New York Times Service

Following are highlights of President Bill Clinton's State of the Union address, and the Republican response to some of his proposals:

The president said the federal budget surpluses would total \$4.4 trillion over 15 years. Here are his proposals for using the money:

- 62 percent, or \$2.7 trillion, would be dedicated to Social Security, enough, the administration says, to keep the program solvent until 2055. Of that, \$700 billion would be invested in the stock market.

- 11 percent, or \$500 billion, would be dedicated to tax breaks that would help workers establish retirement savings accounts, with special incentives for low- and middle-income families.

- 15 percent, or \$700 billion, would be dedicated to help shore up Medicare.

- 11 percent, or \$500 billion, would go for military and domestic programs.

The president outlined other proposals, including:

- Federal education financing would reward local schools that adopt stricter standards for students, teachers and schools.

- The minimum wage would increase to \$6.15 an hour in 2000 from \$5.15 an hour now.

- Grants and tax credits for child care would increase.

- New legal protections for medical patients to ensure access to specialists and emergency services.

- \$12 billion extra for military programs.

With their own legislative proposals, and in speeches Tuesday by Representatives Steve Largent of Oklahoma and Jennifer Dunn of Washington, congressional Republicans emphasized these goals:

- A 10 percent cut in the tax rates, retroactive to Jan. 1.

- A 4.8 percent pay increase for the armed services.

- Fewer restrictions on federal education financing for local schools.

UN to Let Iraq Buy Energy Equipment

By Barbara Crossette
New York Times Service

UNITED NATIONS, New York

The United Nations is releasing more than \$81 million to Iraq to buy equipment to increase its supply of electrical power and to upgrade old oil pumping equipment, the director of the relief program for Iraq said Wednesday.

The bulk of the electrical generation purchases, \$74.9 million in gas turbines, will come from China, said Benon Sevan, director of non-weapons projects for Iraq. Last year Iraq bought \$70 million in electrical equipment from a Russian company.

Under a separate program, the Security Council sanctions committee approved \$6.5 million worth of contracts for oil-industry spare parts to upgrade old pumping equipment, officials said.

Last week President Bill Clinton announced that the United States would speed up approval of contracts for spare parts for the oil industry so that Iraq would be able to buy more food, medicine and other goods for a civilian population that has lived under tight trade sanctions since 1990.

Washington, under pressure in the Security Council, has opposed calls from France, Russia and others for a complete lifting of the embargo on Iraqi oil sales so that Baghdad would be free to buy what it needs, although with international supervision.

Iraq, which suffers frequent power shortages as power plants fail and electrical demand rises, had applied to buy the necessary electrical generation equipment last year, when the "oil for food" program was expanded to allow Iraq to begin rebuilding its public services.

Sanctions and a more limited oil sales program had earlier prevented the Iraqis from replacing old equipment. But Iraq has had difficulties in recent months raising enough money through permitted oil sales because the price of oil has plummeted. Money earned on oil sales goes into a UN-supervised escrow account.

Under the expanded oil sales program, even with prices low, Iraq has been able to buy other equipment to repair its telephone system and place computers in schools.

But the Iraqis have not yet used \$17 million set aside last year for fortified biscuits and milk for malnourished children and mothers. Mr. Sevan said in his announcement. And medicines worth millions of dollars remain stored in warehouses.

In a news release last week, Iraq did not deny that it was stockpiling crucial medicines, but said the United States was holding up contracts for purchases, which are subject to approval by the Iraq sanctions committee of the Security Council. U.S. diplomats deny this.

In its statement, Iraq also repeated its accusations, for which no evidence has yet materialized, that U.S. and British air strikes in December destroyed Iraq's infrastructure, schools, hospitals and grain warehouses.

In Washington, the Clinton administration took another step toward more active support to Iraqi opposition groups. In a report to Congress, the White House designated seven groups as permitted recipients of U.S. financial support.

Among the groups is the Islamic Supreme Council for the Islamic Revolution, led by Mohammed Bakr Hakim, a Shiite cleric. The organization is considered most influential in the largely Shiite Iraqi south, where opposition to Mr. Hussein is endemic.

BELGRADE: A Familiar Story

Continued from Page 1

warfare, at least until Friday. But once the threat of bombing was withdrawn in October, there was little leverage on Mr. Milosevic to give Kosovo the enhanced political autonomy that now, less than four months later, seems too little to satisfy the ethnic Albanians, let alone the Kosovo Liberation Army.

Enhanced autonomy within Serbia, which Milosevic doesn't want to concede, is a nonstarter now for the Kosovars, a senior Western official said.

Enhanced autonomy within Yugoslavia, on a similar basis with Serbia itself and Montenegro, is probably the minimum.

"Albanian national consciousness has changed a lot."

It may be that the renewed threat of NATO bombing will give Mr. Milosevic more room to make necessary concessions to the ethnic Albanians short of the independence that the Serbs — and the rest of the world — do not want Kosovo to have.

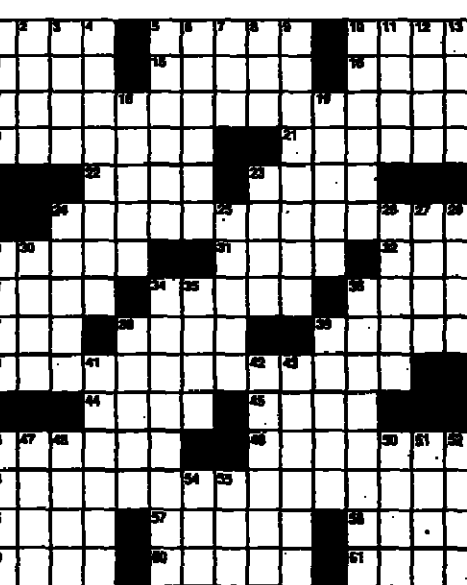
But NATO and the threat to bomb "are a blunt instrument," a senior Western diplomat said. "It's a blunt instrument for a delicate problem."

ARTS & ANTIQUES

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CROSSWORD

- ACROSS**
- 1 Cause of gray hair
 - 3 Olympic success
 - 10 They may be colored
 - 14 Flier's feat
 - 15 Professor's hill
 - 18 Stub
 - 27 Distribute a 1904 Sidney Lumet film
 - 29 Bell site
 - 31 Quail
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 - 33 "High Noon" sheriff Will
 - 34 Steady second-floor apartment
 - 35 1907 Masters winner
 - 37 Frozen dew
 - 38 Go
 - 39 1980's singer Tori
 - 40 Substantive
 - 41 Nile menace
 - 42 E.R. employees
 - 43 Bluebell, e.g., in old TV ads
 - 44 Phony phone caller
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EUROPE

Yeltsin's Doctors Rule Out Surgery to Treat Ulcer

By Daniel Williams
Washington Post Service

MOSCOW — President Boris Yeltsin's doctors said Wednesday they would not perform surgery on him for a bleeding ulcer but would instead use medication.

The announcement followed a series of tests performed on the ailing leader. He took ill Sunday and is expected to remain hospitalized for up to three weeks.

Aides to President Yeltsin said the ulcer has stopped hemorrhaging, but they made it clear that Mr. Yeltsin would not make a state visit to France next week as scheduled.

Mr. Yeltsin's ulcer was the latest in a series of illnesses that have taken him out of public view for much of last fall and the winter. He has not gone to work at his Kremlin office thus far this year and opposition politicians have called for him to step down.

Such is the sensitivity surrounding his state of health that Kremlin officials telephoned prominent stomach specialists in Moscow and told them to stop analyzing his condition for journalists.

The apparent dose of good news from his doctors received curiously little attention on Russian television Wednesday evening. It merited only a few seconds deep into successive broadcasts on various networks.

President Yeltsin has not been shown on television since late last week. On Wednesday, Mr. Yeltsin underwent a gastroscopic examination, a procedure that involves passing a fiber-optic probe down the throat to enable physicians to view the stomach lining.

Mr. Yeltsin's spokesman, Dmitri Yakushkin, said the doctors observed "an absence of bleeding, a reduction of inflammation and of the swelling of tissue around the ulcer."

Mr. Yeltsin was able to walk and reviewed documents at a desk in his hospital room, Mr. Yakushkin said. Other Kremlin officials took pains to repeat Mr. Yeltsin's determination to serve out his full four-year term, due to expire in the middle of next year. Mr. Yeltsin has dismissed former aides who suggested that illnesses might force him either to resign or pass on important duties to Prime Minister Yevgeny Primakov.

An aide told Russian radio reporters that Mr. Yeltsin was "the only person" who could ensure honest legislative elections, slated for December, and the presidential election.

Ulster's Battle of Metaphors

In the New Assembly, Rival Delegates Mix It Up

By James F. Clarity
New York Times Service

BELFAST — The quality of debate in the Northern Ireland Assembly is reaching new metaphorical heights, or depths, in the language of Ulsterspeak, the tongue used here by politicians in which traditional euphemism is now increasingly enhanced by fulmination.

In the Assembly debate Monday on a procedural motion, the 108 Protestant and Roman Catholic members, including some of the most skilled inveighers in the province, continued to avoid use of the words "Catholic" to describe Catholics, or "Protestant" to describe Protestants.

In Northern Ireland, in public, Catholics are nationalists or republicans and Protestants are unionists or loyalists. Republicans and loyalists are accused of favoring sectarian violence; nationalists and unionists are for political talks.

The members call themselves representatives not of a religion, but of a tradition or a community.

The sectarian killing of more than 3,200 people in the last 30 years is "The Troubles."

But as the debate in the Assembly rambled on for seven hours Monday, it seemed as if swords of Damocles were everywhere hanging ominously over Pandora's boxes.

In Ulsterspeak, the peace effort was an airliner preparing to land. Nazi jackboots stomped around the Assembly chamber in the Parliament building in the Stormont area of Belfast. Little Orphan Annie was a voice in the crowd. Guillotine blades flashed. Macho men were wrecking the peace effort. If this kept up, the members would all lose their jobs and the paychecks they have been getting since the Assembly was created last year.

Eventually, the Assembly, by a vote of 74

to 27, accepted a preliminary report from its Protestant and Catholic leaders that is to be put to a definitive vote, after amendment, on Feb. 15. The report recommends new structures of home-rule government that would pave the way for the British government to return to Northern Irish officials the powers it has exercised directly from London since 1974. The local officials now control only garbage removal and burial of the dead.

Seamus Mallon, the Catholic who is deputy first minister and calls himself a nationalist, said it was like an airliner. "Your approval," he said during the debate, "will lock us on to a flight path for devolution by March 10," referring to the transfer of powers. "There may be heavy clouds; there may be storms; there may be flak; there may even be hijackers on board. But we can see the lights on the runway ahead and we now know there is no going back."

Before he finished, Mr. Mallon was interrupted by the Reverend Ian Paisley, the flamboyant anti-Catholic leader of the Democratic Unionist Party, who opposes the peace effort as a sellout of Protestants in this predominantly Protestant British province. "We'll not ride in your plane if it has hijackers," he said.

Mr. Paisley, who was ejected from the European Parliament in Strasbourg in 1988 for disturbing an address by Pope John Paul II, said of the leaders that he could hear "the jackboots of their fascism" in their report.

Mr. Mallon had the last word. "They may guillotine the speech," he said, "but they will not guillotine the process."

One of the mainstream Ulster Unionist Party's leaders, Sir Reg Empey, advocating approval, was interrupted by Robert McCartney, who is the only member of his U.K. Unionist Party in the Assembly, having been abandoned by its other four members last month.

"Ah, poor Little Orphan Annie is making a comment," Sir Reg said.

Romania Urges Angry Miners to Talk

Agence France-Presse

BUCHAREST — The Romanian government, facing a repetition of violent miners' protests that helped topple the Communist government in 1991, offered Wednesday to negotiate with striking coal miners if they would halt their massive three-day march toward a showdown in this capital city.

"In order to show its availability for dialogue, the government has decided to immediately create a commission which will go to Craiova, even to Rimnicu-Vilcea, to negotiate with the miners," said a spokesman, Razvan Popescu, referring to two key towns on the miners' route.

"We are awaiting an official response to this proposal," the spokesman added.

Hours earlier, President Emil Constantinescu, called Parliament into special session, explaining that it was "in view of the attempt to turn the miners' strike into a political confrontation, and taking into account the risk that the situation will get out of hand."

Seeking a pay hike and a halt to planned pit closures, thousands of angry miners defied police and government warnings and pushed ahead — by bus, truck, car and on foot — on their circuitous

protest procession to Bucharest, which began Monday.

"The miners will not get to Bucharest," Interior Minister Gavril Dejeu vowed on radio early Wednesday.

"Another descent on Bucharest would be tantamount to a return to dictatorship," Mr. Dejeu added, in a reference to 1990 and 1991, when striking miners stormed the capital and provoked street battles with security police and military units.

As policemen in riot gear set up reinforced concrete roadblocks at key points on their route, the miners declared that they were determined to get through.

"I cannot go home with empty hands," said a miner from the Jin Valley who appeared exhausted as he and his comrades stopped to eat near Horezu, where thousands of policemen waited behind a massive concrete barricade.

"I want to be able to tell my family that our demands were accepted by the prime minister," he added.

"We have explicit orders not to let them through," declared a policeman at the Horezu roadblock, about 200 kilometers (125 miles) west of Bucharest.

BRIEFLY



Igal Damary, left, and Udi Hargov arriving in court Wednesday in Larnaca.

2 Israelis Go on Trial In Cyprus for Spying

LARNACA, Cyprus — Two Israelis charged with spying on Cyprus repeated their not-guilty plea at the start of their trial Wednesday in a case that has strained relations between Israel and the island.

Sitting in the dock as police presented sophisticated gadgets they say were found on the pair, Igal Damary and Udi Hargov denied charges of conspiring to spy on Cyprus.

Mr. Hargov, 37, and Mr. Damary, 49, were arrested at their leased seaside apartment on Nov. 7 with listening equipment authorities say was used for spying. The pair have been in custody since.

Israel denied they were spying and diplomatic sources said Nicosia is under pressure to drop the case. (Reuters)

Paris Prosecutor Plans Appeal in Carlos Case

PARIS — The Paris prosecutor's office plans to appeal last week's court ruling that clears the man known as Carlos the Jackal of responsibility in a 1974 bombing, judicial sources said Wednesday.

SOS-Attentats, an association that represents families of victims of terrorism, said Monday it would appeal.

A court on Friday dropped charges against the Venezuelan-born Carlos, whose real name is RIch Ramirez Sanchez, in the

bombing of the Drugstore Saint-Germain, a store and restaurant in the heart of Paris's Left Bank. The Sept. 15, 1974, bombing killed two people and wounded 34. The court cited lack of evidence. (AP)

WASHINGTON — The United States will not return to Bonn the complete files from former East Germany's Stasi spy agency, but will continue to allow Germany access to them, The Washington Post reported Wednesday.

The report, quoting informed government sources, contradicted German press reports over the weekend that an agreement had been reached to return the files in exchange for magnetic tapes of the Stasi that German authorities recently decoded.

The German government "has had access to the files in the past," an unidentified senior U.S. official said. "But we have no plans to give them away." (AP)

For the Record

Jacek Wutkow, Poland's deputy health minister, blamed for causing some of the confusion that accompanied the Jan. 1 reform of the nation's medical-care system, has been fired, officials said Wednesday in Warsaw. Many doctors and opposition politicians argue the reforms were introduced too quickly, causing long lines and disorganization in hospitals. (AP)

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EDITORIALS/OPINION

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Kosovo Test for NATO

The U.S.-led military alliance that faced down the Soviet Union is planning a big celebration of its 50th birthday this spring. But in a small province of Yugoslavia the alliance's credibility is being tested right now. If NATO and President Bill Clinton cannot stand up to the Serbian dictator Slobodan Milosevic in Kosovo, they might as well cancel the anniversary party right now. NATO will have shown itself to be useless.

Mr. Milosevic has been waging war against the civilian population of Kosovo for most of the past year. Ninety percent of Kosovo's 2 million people are ethnic Albanian, while only 10 percent are, like Mr. Milosevic, Serbian. Especially after his brutal campaign of ethnic cleansing, most of the ethnic Albanians want independence for Kosovo. Mr. Milosevic continues to act as though he can thwart them through military subjugation.

Last October he reached an agreement, negotiated by U.S. Ambassador Richard Holbrooke, that was meant to pave the way toward a political solution. The agreement was unsatisfactory from the start; Mr. Milosevic is now violating every provision. He promised access to Kosovo for international war crimes investigators; he has not let them in. He promised to withdraw some of his troops; instead he has been beefing up his forces. He said he would allow 2,000 unarmed "verifiers" to monitor the cease-fire, but he has interfered with their work. And, most important, there is no cease-

fire; Serbian shelling of Kosovo villages in the past few days has left another 5,000 homeless, adding to the hundreds of thousands burned and bombed out of their homes already.

Mr. Milosevic's contempt for NATO became totally clear this week, in the wake of a Serbian massacre of 45 civilians in the village of Racak. He barred chief war crimes investigator Louise Arbour from entering Kosovo to investigate the massacre. His apparatus then removed the bodies so that there could be no evidence of Serbian crimes. He ordered the expulsion of U.S. diplomat William Walker, chief of the 800 or so verifiers who had deployed so far. He escalated the fighting.

The Serbian dictator understands well that NATO has little appetite for involvement in another Balkan conflict. But NATO and the United States are involved and will remain so as long as Kosovo's instability threatens the entire region. Each time the alliance caves in to Mr. Milosevic, hoping to avoid making the tough decisions, it only guarantees that the next crisis will be more difficult.

Now it is time to take a stand. NATO must prepare to use force, ground troops as well as air power, to enforce a cease-fire and an interim political settlement. As a first step, it should order the immediate withdrawal of the unarmed verifiers, so that they do not become Serbian hostages if NATO uses force.

—THE WASHINGTON POST.

Clinton's New Agenda

President Bill Clinton opened what was effectively the second front in the war over his presidency on Tuesday night. Shortly after his lawyers argued the fine legal points on impeachment in the Senate, Mr. Clinton outlined his most ambitious domestic agenda since 1993. Its centerpiece, a vast scheme to set aside \$2.7 trillion over the next 15 years to strengthen Social Security, and \$650 billion for Medicare, served notice that the president's battle to stay in office would include efforts to revitalize the big safety net programs that are extremely popular among the swing voters whose support he needs in the impeachment fight.

His political troubles could be seen immediately in the awkward applause of many Republicans, which he tried to counter with an opening call for a new "spirit of civility and bipartisanship" and a handshake with the new House speaker, Dennis Hastert. But his speech was designed to be bold and to try, even in depressing circumstances, to show his political resilience.

In the last few weeks the White House has dribbled out bite-sized initiatives in education, the environment, crime and military preparedness, leaving the impression that his State of the Union speech would be another laundry list, commendable in many respects but not very inspiring. Instead he recommended that more than \$4 trillion in surpluses projected over the next 15 years, most of it from the Social Security system itself, be mobilized for retirement and health programs, individual savings accounts and some spending initiatives.

The president was playing his best political cards at a time when the country can afford to act and address these long-term problems. In 15 years, when baby boomers start to retire, Social Security will drain money rather than generate it.

Mr. Clinton has wisely rejected a Republican proposal, endorsed by some Democrats, to strip away a portion of the Social Security safety net and replace it with a system of in-

dividual investment accounts, jeopardizing the retirement of those unlucky or unsophisticated in the ways of the market. Instead he proposes to have 15 percent of the Social Security trust fund eventually invested in the stock market. This is a promising but largely untested new idea with assumptions about the market and other factors that will need to be studied closely.

Mr. Clinton's other innovative proposal would channel \$500 billion over 15 years in matching funds for new voluntary retirement accounts outside the Social Security system. It has some attractive features, including a progressive approach of weighting the benefits for those with lower incomes. But since the Republicans control Congress and the impeachment battle will probably leave a bitter aftertaste, the president's plans are certain to be more of a conversation opener than a blueprint for the future.

Trent Lott and other Republican leaders signaled on Tuesday that they would seek to use a major portion of the budget surplus for across-the-board tax cuts. Mr. Clinton has at least defined the outline of negotiations with congressional Republicans over how to balance the popular but expensive goals of protecting the elderly and granting tax relief for those still in the work force.

The president deferred for a later day the debate about adjustments, and perhaps new limits, on both Social Security and Medicare. He called on the Congress to work in a bipartisan way to enact such changes.

Many of Mr. Clinton's smaller proposals for education, the environment, crime, military readiness and research will probably find broad support in Congress. We hope that he also fulfills his pledge to make a strong push for campaign finance reform. If he can emerge from the corrosive debate over impeachment and lead a cooperative effort that borrows some ideas from the opposition, he could put a productive stamp on his final two years in office.

—THE NEW YORK TIMES.

Other Comment

Samaranch Should Resign

There could hardly be a more flagrant contradiction than that between the spirit of amateur sportsmanship represented by the Olympic Games and the bribing of International Olympic Committee officials.

The corrupt practices of committee members who vote on the selection of sites for the Summer and Winter Games have long been known to everyone involved. This widespread knowledge of the need to bribe IOC site selectors became part of their scam. Each would-be host city knew that it had little choice but to outbid

other competing cities by lavishing more and better gifts on the visiting dignitaries from the IOC.

The former president of the Quebec 2002 organizing committee, René Paquet, calls for the resignation of the IOC president, Juan Antonio Samaranch. "When you are the leader of an organization, you have to bear responsibility for what happens," Mr. Paquet said in a compelling indictment.

By refusing to accept responsibility for systemic corruption that has flourished for years, Mr. Samaranch forfeits his right to command the purity of the Olympic spirit. He should be replaced.

—The Boston Globe.

Slaughter in Kosovo Prompts Nothing but Talk

By Jacky Mamon

PARIS — Forty-five people were slaughtered last week in Kosovo, practically before the eyes of the international observers. The reaction of the international community was not long in coming: an inquiry was expedited by the International Criminal Tribunal for the former Yugoslavia, and Slobodan Milosevic was rebuked by two NATO emissaries who were specifically said to be of a high rank.

In addition to these "decisions," statements by political leaders proliferated, some expressing horror, others anger at the intolerable.

In the meantime, on the ground, the surviving villagers at Racak had fled into the mountains, while Serbian forces remained in the village.

We can only be pleased at the growing recognition of the role of international criminal justice. The attempt to dispatch a team of investigators from the International Criminal Tribunal in The Hague, led by its prosecutor, Louise Arbour, to the scene of the massacre was welcome.

On the other hand, claiming that this action was an adequate response to what Kosovo is currently living through resembles a bad joke.

By trying to conduct their inquiry, the prosecutor and her team were only fulfilling their mandate. At least three Security Council resolutions clearly place Kosovo within the tribunal's jurisdiction. Among these, Resolution 1160 of last March 31 "urges" the prosecutor's office "to begin gathering information related to the violence in Kosovo that may fall within its jurisdiction" and "notes" that Yugoslav authorities "have an obligation to cooperate with the tribunal."

So far, no tribunal investigator has been able to enter Kosovo to carry out this mandate, which was laid down by the decision-making body of the United Nations. Surprisingly, nobody has yet considered it necessary to remind the Serbian authorities of the express obligation that they are under to allow the members of the tribunal to circulate freely and accomplish their work.

The Security Council asks Mr. Milosevic to "fully comply" with the tribunal, to no avail.

It is not a question here of rivalizing or reducing the role of the tribunal and

its prosecutor. But what is being passed off by the international community as a firm response is in reality only the application of a decision that remains devoid of meaning because of an absence of political will. Mr. Milosevic has understood this, since he is putting so many obstacles in Mrs. Arbour's way.

A major risk threatens international criminal justice and the institutions embodying it (the International Criminal Tribunal for the former Yugoslavia, the International Criminal Tribunal for Rwanda and the future International Criminal Court): that of excessive use. International criminal justice should not become, as is the case with humanitarian action, the only response that politicians give to the tragedies of civilians during armed conflicts.

By functioning as a deterrent, it can be a means of preventing the most serious crimes. By progressively imposing a system that determines who is responsible for these crimes and how they should be punished, it can contribute to the protection of populations on the ground. But by no means can it alone fulfill this task, which is first and foremost incumbent on the signatory states of the Geneva conventions. By

ratifying those agreements, they committed themselves to applying them and to making sure that they get applied.

It would also be too easy today to criticize the observers from the Organization for Security and Cooperation in Europe who have been trying, in extremely difficult conditions, to fulfill their mandate in Kosovo. (William Walker, head of the OSCE observers, was given three-day notice to leave Kosovo after his courageous speech at the scene of the massacre.)

As long as we make do with explaining to Mr. Milosevic that his handling of the Kosovo crisis is not in keeping with his international commitments, as long as the OSCE, NATO, the Contact Group and the Security Council let themselves be made into laughing stocks as they did last October by pretending to believe that Mr. Milosevic had withdrawn his troops from Kosovo, as long as the West continues to consider him the cornerstone upholding the Dayton peace accords — Kosovo's civilians will keep paying the price.

The writer, president of Médecins du Monde, contributed this comment to the International Herald Tribune.

About the United Nations and Its Secretary-General

By Kofi A. Annan

The writer is secretary-general of the United Nations.

NEW YORK — As the United Nations enters a new century of challenges, we must find new ways to defeat the age-old enemies of peace and prosperity. In fulfilling this task, the secretary-general is accorded a central role — by the UN Charter, by history and by the trust placed in him by member states.

I believe, therefore, that it is important for our friends and critics alike to judge the United Nations and my office with what Isaiah Berlin called a "sense of reality." By this I mean a realistic appreciation of the promise, limitations and responsibilities that the organization and the officeholder face.

Above all, this means acknowledging that the secretary-general's office will have the potential to advance the interests of all states only so long as it does not appear to serve the narrow interests of any one state

or group of states. This is the precarious balance to which my secretary-general owes his office, his strength, his effectiveness and his moral authority.

Every secretary-general before me has had to maintain this balance, through more than 50 years of geopolitical change.

IT IS sometimes tempting to give in to one's feelings of personal outrage at a specific transgression, especially when to do so would win political popularity in some quarters. But that would impede the secretary-general's ability to work effectively to prevent aggression and preserve peace. It is a luxury I cannot afford. The integrity, impartiality and independence of the office are too important to be so easily sacrificed.

The end of the Cold War transformed the moral promise of the role of the secretary-general. It allowed him to place the United Nations at the service of the universal values of the charter, without the constraints of ideology or particular interests. In my two years as secretary-general, I have sought to pursue this role in two distinct ways.

First, I have sought to speak out in favor of universal human rights and in defense of the victims of aggression or abuse, wherever they may be. For Americans, the presidency has been seen as a bully pulpit, at least since the days of Theodore Roosevelt. I have sought to make the office of secretary-general a pulpit, too. From New York to Tehran to Harare and to

Shanghai, I have sought, without attacking specific regimes or individuals, to use it as a vehicle for promoting the values of tolerance, democracy, human rights and good governance that I believe are universal.

Second, I have used my office as a bridge between two or more parties wherever I believed that an opportunity for the peaceful resolution of disputes existed. To do so, I have embarked on many missions, confronting not only the doubts of others but my own as well.

I have at times been as skeptical of a leader's true intentions as anyone, and I have entered every war zone without any illusions about the prospects for peace or the price of misrule.

But I have persisted, because I must deal with the world not as I would wish it to be, but as it is. I must confront it with a sense of reality about how far a leader can be pushed by peaceful means, and how long it will take to bring peace where a state of war exists.

Does this make me, or anyone in my position, morally blind? Can a secretary-general not tell good from evil, or victim from aggressor?

Of course he can, and precisely for that reason he must persist, for it is ultimately the aggressor more often than the victim who will benefit from isolation and abandonment by the international community.

Impartiality does not — and must not — mean neutrality in the face of evil. It means strict and unbiased adherence to the principles of the charter — nothing more, nothing less.

OF THE missions I embarked on last year, none was fraught with as much risk to my office and to the United Nations as the one involving Iraq. Confronted with a crisis in the relations between Iraq and the Security Council, I went to Baghdad last February seeking to break an impasse and to return the UN Special Commission to its vital work of dismantling Iraq's weapons of mass destruction.

Briefly, but significantly, Iraq returned to compliance, and UNSCOM inspectors were able to enter sites to which they had been denied access for more than seven years.

I say "briefly" because Iraq subsequently decided to place new obstacles in UNSCOM's way — a flagrant, deeply troubling violation both of the memorandum of understanding that I secured with Baghdad and of Iraq's long-standing obligations to the Security Council.

Since then, we have gone from crisis to crisis, punctuated by fleeting moments of cooperation between UNSCOM and the

government of Iraq. This back-and-forth culminated in last month's air strikes.

Clearly, we stand at a critical juncture now — between the use of force and the peaceful compliance I have always sought, between securing the disarmament of Iraq and the threat that it would otherwise pose to the region, between looking to a future when Iraq's long-suffering people can live free and unhindered lives, and continued isolation and impoverishment for civilians whose bear no responsibility for their country's calamities.

Members of the Security Council are now actively engaged in seeking a way forward, a way that can restore the council's unity while maintaining the disarmament of Iraq and alleviating the suffering of the Iraqi people. For those who remember the days of the Cold War, the unity of the council in such an important matter will be recognized as a signal accomplishment.

It is also what makes Iraq such a priority for me as secretary-general. A divided council can, and has in the past, paralyzed the United Nations. I must and will do all in my power to avoid such a fate. Whatever means I have employed in my efforts in dealing with Iraq, my ends have never been in question: full compliance with all relevant Security Council resolutions; the disarmament of Iraq; reintegrating its people into the international community; securing the stability of the region; and ensuring the effectiveness of the United Nations as a guarantor of international peace and security.

By precedent, by principle, by charter and by duty, I am bound to seek these ends through peaceful diplomacy.

ULTIMATELY, however, the peace we seek in Iraq is as everywhere, is one that reflects the lessons of our terrible century: that peace is not true unless it is bought at any cost; that only peace with justice can honor the victims of war and violence; that without democracy, tolerance and human rights for all, no peace is truly safe.

To apply those lessons wherever and whenever possible is a secretary-general's highest calling and foremost duty — to himself, to his office and to the United Nations. My great predecessor, Dag Hammarskjöld, once said that it "is a question not of a man, but of an institution."

It is, therefore, for the United Nations itself, and the hopes and aspirations that it has embodied for more than half a century, that we must succeed.

The New York Times.

The IMF Record in Asia Is Mixed

By Philip Bowring

HONG KONG — The Asian crisis has humbled presidents, bankers, tycoons, economists, journalists and millions of ordinary people. But not the IMF.

The IMF's just published analysis of its policies toward the three countries — Thailand, South Korea and Indonesia — in which it has played a major role during the crisis is felt by its authors to be a balanced and professional assessment. The Fund's many critics in Asia will see it more as a document in its own defense.

Those elsewhere must regard it as important because its conclusions will have major influence on policies in future crises.

The study contains useful data and summaries of events, policy developments and policy options at the time. But it also has some glaring omissions. Most notably, it does not explore the reasons for the huge flow into and then out of foreign short-term capital in the 18 months either side of the mid-1997 collapse of the Thai baht.

That omission will devalue the study in the eyes of many, not just in Asia, who find as much fault in the behavior of international banks, especially European and Japanese, as in economic and corporate management in Asia. Yet the burden of adjustment

fell almost entirely on the borrowers, not the lenders.

By dealing with only three countries, the study is also able to sidestep the crucial issue of the cumulative impact of IMF-type policies on the region, which escalated what might have been a couple of single-country recessions into a major regional crisis. That then spilled over into other regions with open capital markets but very different economic situations.

The IMF admits to a number of errors and misapprehensions, but on the biggest issues it comes to the happy conclusion that it was right all along. The policy failures were mainly of implementation (not its fault) rather than design. Its failure to predict the depth of the crisis was partly due to the initial failure by governments to take strong action to reassure markets and stem currency collapses.

The document demonstrates the IMF's strength in economic analysis but indicates a woeful lack of understanding of the dynamics of financial markets, the needs of businesses and the political environment in the region. In a perverse piece of logic, it suggests that because South Korea and Thailand did eventually swallow most of the IMF medicine (since the alternatives had become even worse) and are now seeing light at the end of the tunnel, the medicine must have been correct.

The most dangerous aspect is the IMF's vigorous defense of high interest rates as the key to currency stabilization. This has been the most criticized aspect of IMF orthodoxy, not least by the World Bank, which has rather more on-the-ground experience in Asia.

High rates led to the collapse of domestic demand and to a stream of failures of highly leveraged corporations with excess capacity. That in turn exacerbated capital flight.

That currencies eventually did stabilize seems to have been more the result of afflicted countries achieving huge current account surpluses than of high interest rates.

Another factor in the South Korean case was government guaranteeing private short-term debt to foreign banks. The Koreans paid a heavy price to bail Western and Japanese banks out of their own follies. The IMF analysis prefers not to dwell on such matters, or on the failure of central banks in lending countries either to monitor credit exposure or to lend a hand in stabilizing the Asian situation.

The Fund's behavior and analysis show it bogged down in trying to provide complex, medicinal mixtures for economies of which it has scant prior knowledge. Its arbitrary bank closures in Indonesia after a few days of quick study of a complex, volatile and politicized situation created panic. In South Korea, its simultaneous emphasis on structural reform, very high interest rates and fiscal rigor was a mix that would have killed a patient less tough.

South Koreans are still smarting. They will emerge tougher and at some point take their revenge on a West, represented by the IMF, which humiliated them.

The Fund is hard at work studying capital markets, flows of funds and ways of improving the "architecture"

Too Much Blind Faith in Openness

WASHINGTON does not flinch from its broad defense of a more integrated global economy. But last week Dani Rodrik, a professor at Harvard's Kennedy School, challenged the dominant religion. In a new book, he questions the value to developing countries of increasing economic integration, of ever expanding trade and capital flows.

Openness is not essential to economic growth, he argues. It is likely to widen inequality within countries. And, as recent events demonstrate, it leaves developing nations vulnerable to debilitating financial shocks.

His conclusion: Policymakers should "not let international economic integration dominate their thinking on development." It is a seductive argument, and right in many particulars.

Asia's success stories in the early stages of their development did not follow every tenet of the openness ideology, such as low tariffs for all goods and totally liberal capital markets.

But they did, each in different ways, view economic integration as crucial. They did ditch their small domestic economies to the larger and more technologically advanced econ-

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: Samoa Troubles

PARIS — [The Herald says in an Editorial:] The troubles in Samoa seem to arise out of friction between the three Consuls representing the United States, England and Germany. The Berlin Treaty was a makeshift, providing for tripartite control of the islands. But the treaty also recognized the independence of the Samoan Government. Last August, Mataafa, the ex-King,

determined to maintain the supremacy of the homespun call — Mr. Jack Jones, M.P., says that only seven high hats remain in the House of Commons. In former times the tailors expected plenty of business in levees and Court habitations when the complexion of the House changed greatly, but the Laborites say they are not going to spend £50 on such stuff.

Herald Tribune

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OPINION/LETTERS

Champions of Reckoning Ought to Stop and Think

By Geneva Overholser

WASHINGTON — Having heard recurrent pronouncements against too much affection for the Almighty Dollar since my teacher's kid childhood, I am under no illusion that money worship is new. Still, ardor for profits seems to be the prevailing force in American life these days. It might do us good to ponder a bit its powerful impact on all we think and do.

This exercise occurs to me because I have noticed, in following policy discussions of various kinds, that you get only a short distance into a subject before coming up against the sharp clink of coins. We Americans seem, for example, to accept as given that anything that works to undermine next quarter's profits is doomed. Or that, if we need to make a change, we had better find a way for it to appeal to the marketplace.

At an American Planning Association conference last year, a symposium leader advised: "We need to talk about planning as a fiscal imperative — the only way we can have an affordable quality of life. Then we've got something we can sell."

At a session on how environmentalism is changing, market-based solutions took pride of place. Carol Browner, the head of the Environmental Protection Agency, noted that cost-benefit analyses were "an incredibly important policy tool." By the time she added "But what is the value of human life?" that question sounded almost anachronistic.

Profit pressures have a firm grip on my line of work, the media. Consolidation of ownership is one reason. In radio, a handful of companies has taken a powerful hold, pushing creativity down and per-hour up. As for newspapers, profits climb and circulation stagnates. As Harold Evans, the former publisher, said, "The challenge of the American newspaper is not to stay in business, it is to stay in journalism."

Doctors, preachers, university presidents and people in the arts all tell of the war between financial pressures and other values.

At a Woodrow Wilson Center symposium last fall on American popular culture, panelists spoke of the withering effect of money lust on creativity and breadth in filmmaking, theater, music and art. The sociologist Michael Schud-

son summed up: "What should be the attitude toward commerce of someone who cares deeply about culture? Is there a place to draw a line — Oprah rather than Springer, hip-hop over the Spice Girls. The New York Times rather than the New York Post? Uplift rather than pandering?"

Of course, my uplift could be your downfall. And fussing over the impact of money can seem preachy and narrowing.

I am intrigued by the argument of Tyler Cowen, an economist at George Mason University, who has written a book, "In Praise of Commercial Culture." Cultural variety, he contends, produces cultural vitality. And variety is what the market brings.

He holds up "the capitalist market economy as a vital but unappreciated institutional framework for supporting a plurality of coexisting artistic visions."

It is a pleasure to encounter optimism, as it is a pleasure to see the occasional art exhibit that finds beauty in everyday objects and to see through viewing major art exhibits — and spending at museum shops. Still, when we find every question debated as if dollar accounting matters more than anything else, it may be realism that we need.

The global warming debate is an example, with many sounding as if no present or future environmental development can be as important as the bottom lines of American companies this year.

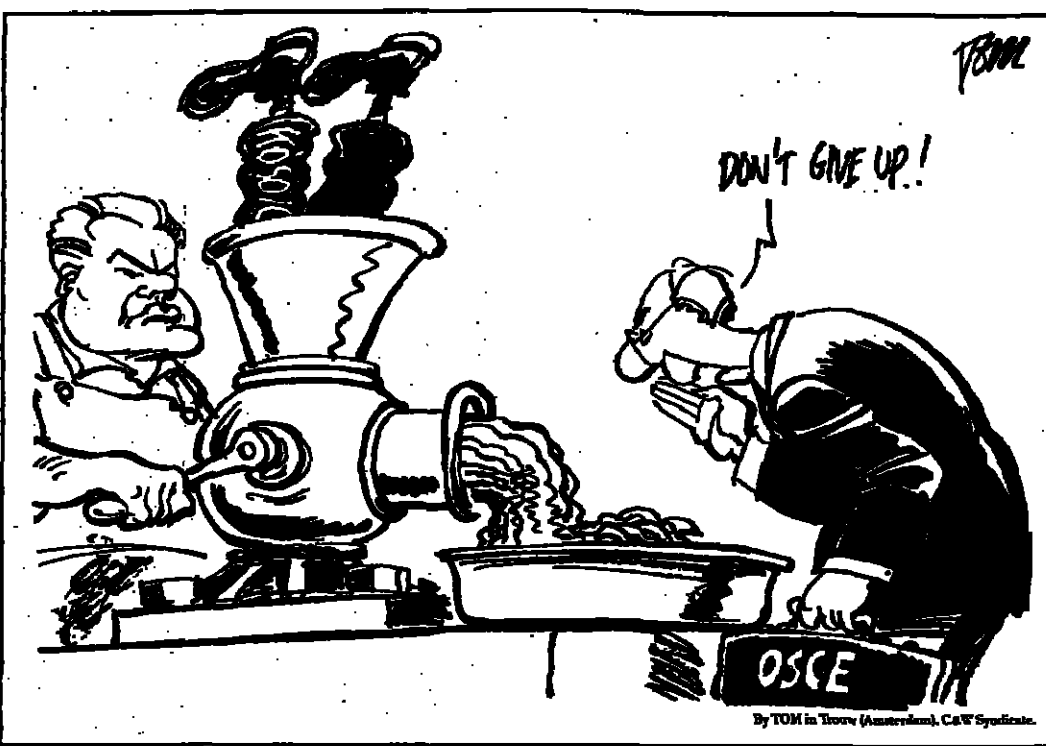
The dollar's hold on American imaginations is of long standing. While Washington Irving wrote early in the last century of "the almighty dollar, that great object of universal devotion," pioneers were out seeking profit in land or minerals and toting it up even in the language they used. "I reckon," they said. I calculate.

I don't want to be un-American about all this, but it does seem we should balance our thinking along with our checkbooks.

As the Yale law professor Stephen Carter said last year in a discussion of his book "Civility," "the problem in America today is not that we have a market economy. The problem is, we have let that market economy and its values dominate too much of our lives."

Amen.

The Washington Post.



LETTERS TO THE EDITOR

About Clinton's Trial

Regarding the editorial "Not High Crimes" (Opinion, Jan. 18): The editorial suggests that only "offenses against the system of government" warrant removal of a U.S. president. But suppose that a rogue president committed murder and, even more implausibly, remained popular. In that case, would the editorialist argue for the continuity of the presidency?

Perjury and obstruction of justice rank above the impeachable offense of bribery, according to federal sentencing guidelines. To leave in office a president who is found guilty of such crimes, however short the remainder of his term may be, would create a greater national trauma than orderly removal from office.

RONALD BOWERMAN,
Hualien, Taiwan.

The House prosecutors appealed, in their verbal presentations, to absolute notions of law and justice. But Americans know that, as politicians, these same people are prepared to bend the law to suit their purposes.

Rather than reverence for justice, an adversarial ethic prevails, in which the only thing that matters is who wins.

The widespread cynicism manifested in contemporary products of American popular

culture may be either a cause or an effect — or both — of an equally widespread, if as yet inarticulate, attitude of realpolitik. In any event, it is a sign that Americans are at last growing up.

LEO PRADO,
Madrid.

The vast majority of Americans wish for President Clinton's affairs to be laid to rest. But why should justice heed the polls?

Justice reflects moral principles that evolve at the pace of cultures. It stays the course irrespective of whims or swings in opinion. It is the needed guarantee that lovable villains will be punished and odious innocents will go free. At least that is the way it should be.

LUCIO MARGHERITA,
Paris.

The trial should be adjourned. The reason is simple: Both articles of impeachment derive solely from the Paula Jones lawsuit. It was thrown out of court, and even before that the entire matter of Mr. Clinton's relationship with Monica Lewinsky was found to be irrelevant and excluded. So none of Mrs. Jones's rights were put in jeopardy and no national interests were trumped by Mr. Clinton's testimony, either in his deposition in the Jones case or in his grand jury appearance.

I do not believe that Americans were wise to elect Mr. Clinton, but there is no foundation for removing him from office. The longer view will, correctly, penalize the Republicans for this folly.

DON WESTERVELT,
Los Alamos, New Mexico.

Health and Population

In response to "Better Health Stokes Productivity" (Opinion, Jan. 15) by Gro Harlem Brundtland:

I agreed with what Mrs. Brundtland wrote, but was astonished that there was no mention of the out-of-control growth of the world's population.

There is no way to continue providing health care, or even clean water, for ever increasing numbers of people.

We need to educate on population and reproductive issues before, or while, we try to treat other health issues.

LESLIE V. WANGENHEIM,
Munich.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

A Remarkable Nonevent In U.S. Aviation History

By James K. Glassman

WASHINGTON — "Is there any point to which you would wish to draw my attention?" asked Watson.

"To the curious incident of the dog in the nighttime," replied Sherlock Holmes.

"But the dog did nothing in the nighttime." That was the curious incident.

The curious incident of 1998 was not the impeachment of America's priapic president. That was a dog-bites-man story if there

Derogation remains controversial, especially among travelers who complain about poor food and tight seats and among residents of smaller cities in the Midwest and East, where service is limited and fares are high. But Alfred Kahn, the economist who was named to dismantle the Civil Aeronautics Board, has it right. "Our goal," he said, "was to free price competition and bring air travel within the reach of people of modest means. In that, we certainly succeeded."

Fares, while far more confusing, have dropped by one-third in real terms, according to the economists Steven Morrison of Northeastern University and Clifford Winston of the Brookings Institution. They calculate that thanks to deregulation air passengers save \$12.4 billion annually.

Americans also are flying more. Passenger-miles flown doubled from 1980 to 1995, while passenger-miles driven in cars rose by only 33 percent.

Critics claimed that deregulation would cause airlines to engage in a viciously competitive "race to the bottom," cutting costs by skimping on safety, making air travel more dangerous. Instead, since 1980 the chances of dying in a plane crash have dropped from 1.3 in every million departures to 0.5 per million.

Airlines have avoided a race to the bottom, not just because of federal rules but also because of the laws of the marketplace. A single crash in the Potomac River in 1982 put Air Florida out of business. ValuJet managed to survive the grisly 1996 disaster in the Florida Everglades, but only after being forced into a merger and a new name, AirTran.

The U.S. civil aviation system seems chaotic but works incredibly well. In 1994 there were five deaths per 10 billion miles traveled on airlines, compared with 4,100 deaths per 10 billion miles in passenger cars.

In his flying days, my father used to tell us on landing his little Piper Tri-Pacer: "We just finished the safest part of the trip. The dangerous part is the drive home." That is more true than ever.

The writer, a fellow at the American Enterprise Institute, contributed this comment to the Washington Post.

BOOKS

A CAFE ON THE NILE

By Bartle Bull. 466 pages. \$26. Carroll & Graf.

Reviewed by Richard Bernstein

EXTREME Africa" would be an alternative title for Bartle Bull's new adventure novel, which takes place in 1935 in Egypt and Ethiopia (more commonly known then as Abyssinia).

In Cairo, where the Cataract Café attracts a fair share of the exotic human menagerie of Europe, America, Africa and the East Indies, a Goan dwarf named Olivio Alavedo schemes to create an agricultural empire in newly irrigated lands along the Nile in northern Egypt. In Abyssinia, meanwhile, a hunter named Anton Rider, English by birth but raised by Gypsies (and a dead ringer for Indiana Jones) takes three rich Americans on safari just when Italy's

mutual invasion of the country begins.

Many other characters (there are camels, horses, mules and chimpanzees as well as human beings) appear in Bull's "Café on the Nile," and a great deal of action takes place in a novel that, even when it is a bit overdone, pulses with entertainment value. A German rogue from Tanganyika, one Ernst von Decken, strives under cover of the Italian invasion to steal a hoard of silver coins minted by the fascist dictator Mussolini. Leading an Italian air squadron in the war is Lorenzo Grimaldi, who happens to be the lover of Anton's estranged wife, Gwenn, who also goes to Abyssinia, as a volunteer nurse.

When one of Anton's safari clients, a svelte and rich Kentuckian named Harriet Mills, takes film footage of the Italians using poison gas on the Ethiopians, Grimaldi sets out to catch her before word of this violation of international law reaches the outside world.

The advantage switches back and forth more times than in a close tennis match as Grimaldi's grim pursuit takes place. The story unfolds with little regard for moral niceties and lots of backed-up corpses.

In other words, Bull's new novel could easily disintegrate by virtue of its own high voltage, but it doesn't. Bull is an English-born New York lawyer who once was publisher of "The Village Voice." He is a skilled storyteller with a knack for characters of rugged individualism and for suspenseful situations. He has thrown everything into his new novel, from a medical consideration of dwarfism to a luridly detailed description of a camel abortion in Cairo. He knows about guns and airplanes and tracking game in the African bush, and he sprinkles his text with expletives in Arabic, Italian, German, Swahili and Amharic.

Sometimes this is too much, especially toward the end when Anton and Lorenzo, who have several reasons to hate each other, engage in a protracted duel that just about exhausts all of the logical possibilities for close calls, abrupt reversals of fortune and types of ambush. Abyssinia is five times the size of Italy, yet the main characters of Bull's novel stumble over one another often enough to defy the laws of probability. Bull's characters also never let pass a possible erotic encounter, to the point that creative sexual escapades take on a cartoonish "Thousand and One Nights" quality.

Still, "A Café on the Nile" is the sort of yarn that can keep you up late at night. It acquires its narrative brioche early on with the introduction of Olivio and his café, which brings people together in the way that Rick's place did in "Casablanca." Olivio himself is a fine creation, a figure whose ambition, which is as big as his body is small,

needs to be advanced by wit, charm and cunning. Within the first few chapters, all of Bull's main characters have made their way to the café and met one another — all but the mad German, von Decken, whom we meet at a gambling casino not far from the pyramids.

Anton is our hero, the most handsome and the least unscrupulous of an unscrupulous and spoiled bunch. But we learn quickly that Anton, nice as he is, has learned a few lessons in taking care of himself in a rough world. And given all the dangers (the grimly determined Grimaldi, cheats at the gambling table, thieves lying in wait in the shadows of the pyramids, and the occasional crocodile) it's a good thing, too.

Anton lives in British Kenya. He comes to Cairo to meet his safari clients, including the sexy and adventurous young Harriet, one of a pair of twins. As long as he is in Cairo, he attempts to win back Gwenn, who finally couldn't put up with his long absences and his white-hot hunter lifestyle. Gwenn, who has two young boys to take care of and is studying medicine, has become the mistress of Grimaldi, who is fascist Italy's military attaché in Egypt.

Soon, however, everybody but Olivio (who has his own murder and mayhem to deal with at home) is off by steamship to Abyssinia, each for a different purpose — to engage in fascist-imperialist conquest, to hunt animals, to seize an illicit fortune, to do good works. Midway through the book these characters, all of them having gone their separate ways, are rejoined, and a struggle to the death spins suspensefully and cruelly to its conclusion.

You finish this book almost out of breath with the nonstop quality of the action, but appreciative of Bull's spirited, sensuous, hot-blooded evocation of a rich and eventful historical world.

New York Times Service

BRIDGE

By Alan Truscott

MANY experts find team play to be the most satisfying form of the game, since it eliminates the artificial striving for overtricks that is a feature of pairs play. The Greater New York Bridge Association recognizes the player who does best in team competition in a calendar year, and the 1998 title went to Tom Smith of Greenwich, Conn., with William Ehlers of West Orange, New Jersey, in second position.

Smith modestly attributes his success to fine play by a series of partners and offers the diagrammed deal from a knockout team match at the New York Regional Championships as an example. He was North, and his partner,

Richard De Martino, bid aggressively to reach four hearts. After the lead of the spade king, it is clear that he is due to fail. The defense will surely take two trump tricks and a trick in each black suit.

The spade king was led, and South won with the ace in dummy and led a club to the king. West took the ace, cashed the spade queen and led a diamond to dummy's queen.

The only legitimate chance for success was to lead a heart to the jack, hoping that East to the jack. Instead, without held A Q x, he led the spade ace, which was about to overruff South was about to overruff South and could not possibly need a discard. The dummy could deal with any losers South might have in minor suits, and

if by any chance West had begun with only four spades he would have continued that suit after winning the club ace. So East should have discarded.

But East did not work this out and ruffed with the heart 10, falling into South's trap. This, as it turned out, was the worst way to ruff. Ruffing low would have left South with a later guess when he led the suit from dummy. Ruffing with the ace would have left the defense in control. But ruffing with the 10 allowed South to overruff, ruff a club in dummy, and lead a trump. When East played low, De Martino's only chance was to play the king. He did, and it worked. On the next round the queen and ace crashed together and the game was made.

In the replay North-South stopped in a part-score, quite

reasonably, and scored 140. De Martino's swindle therefore gained 7 imps for his team when they had been headed for a loss of 5.

NORTH (D)
♠ A 10 7 6
♥ Q 10 9
♦ A K Q 10 4
♣ 4 6

WEST
♠ K Q 8 5 4
♥ Q 10 8
♦ 8 7
♣ A J 9 5

EAST
♠ A 10 6
♥ A 10 8
♦ 9 8 3
♣ 10 7 4 2 2

Neither side was vulnerable. The bidding:
North: 1♣ — 2♦ — 3♥ — 4♥
South: 1♥ — 2♦ — 3♥ — 4♥
West: 1♣ — 2♦ — 3♥ — 4♥
East: 1♥ — 2♦ — 3♥ — 4♥

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TribTech

New Data Age: Now, Portable Phones Aren't Just for Talking

By Eoin Licken
Special to the Herald Tribune

PARIS — It may sound obvious, but most people use mobile phones to talk to people. But growing numbers of cell-phone users are finding that voice calls are yesterday's news. Data by portable telephone is hot and getting hotter.

Relatively few mobile users have yet awoken to the potential of sending text messages to and from phones, even though digital cellular networks the world over already incorporate several methods for sending data.

International Data Corp. says that of the 45 million digital-mobile users in 17 West European countries, only 10 percent use their phones' data functions. But the Massachusetts-based research group predicts that of the expected 140 million users at the end of 2002, 64 percent will be using data functions, mostly to get to the Internet.

Despite the surge in cell-phone use over the past year or two, many mobile subscribers seem only vaguely aware of a menu option on their phones called something like "Messages." But all digital phones are technologically text-savvy, to various extents.

All digital cellular phones — as opposed to analog models — can receive messages via the so-called short messaging service, often labeled SMS on

cell-phone menus. Receipt of an SMS message usually causes a phone to beep. Phones with miniature display screens will show the messages, each of which can be as long as 160 characters.

Many mobile phones, especially business-oriented models, can be connected to computers to allow data calls to the Internet, letting a user download electronic mail, for example. That function is also commonly used to send fax messages.

Data calls are usually charged at similar rates to voice calls, billed per minute or per second, while SMS is billed per message, typically costing the local equivalent of 7 to 20 U.S. cents.

A third form of mobile data allows so-called cell broadcasting, whereby a message can be sent simultaneously to all phones in a particular location. Already being tested in Britain, where it is used to send traffic information, analysts predict that cell broadcasting will be popular with advertisers.

Data calls via a computer require a special subscription with a phone network, but most networks provide subscription-free short messaging services. Customers using prepaid cards to operate their phones — and most U.S. digital networks — can only receive SMS messages. The Global System for Mobile cell-phone standard of Europe and Japan handles all current data technology.

All of these data services are tech-

nologically possible because they use channels that are essentially separate streams of information sent over the single radio link between the network and the phone. GSM networks use separate channels to carry voice and data and two control channels designed for setting up calls and measuring signal strength.

The two control channels can also be used to send short bursts of digital data to phones. One of them, the transaction signal channel, is a dedicated channel to each individual phone for setting up and maintaining calls. This is the channel used for SMS. Many mobile operators use it to inform subscribers of missed voice messages.

JAPAN IS the busiest market for phone-to-phone SMS messages, according to Joe Cunningham, technical director of Logica Aldison, the Ireland-based software developer that supplies SMS software to more than half of the world's cellular operators. Tokyo Digital processes 2 million messages a day, he said, many sent by teenagers using their mobile phones to send goodnight messages to friends' mobiles.

The British cellular operator Cellnet is trying to take SMS a step further, integrating it with the Web. Subscribers to Cellnet's Genie service can opt to receive discrete messages containing

stock information, job vacancies or sports results, for example.

Visiting the service's Web site by traditional means, Cellnet customers can specify which stocks or teams they want tracked. The network then automatically sends messages to their mobiles when the shares reach a specified value or when one of the teams plays.

The service actually generates additional revenue for network operators, a Cellnet spokesman said, as the average user receiving sports results makes an additional 1.5 minutes of calls a month for follow-up information.

The other control channel — the broadcast control channel — is used by phones to monitor signal strength, but it can also be used to broadcast short data messages to all mobiles within a particular cell. The Cellnet spokesman said the feature could be used, for example, within a shopping mall to send messages of special offers to subscribers who have configured their phones to receive the alerts.

Beyond the control channels, GSM phones have a dedicated data channel. Primarily used to link laptop computers to the Internet to read e-mail, download faxes or just surf the Web, it handles data at a relatively slow 9.6 kilobits per second, or kbps. That is slower than the slowest telephone modems for household computers, which typically receive data at 28.8 to 57.6 kbps.

According to Fergal Kelly, director of products at the Irish mobile operator Eircell, operators who choose to upgrade their networks will begin offering 14.4 kbps data channels in the next six months.

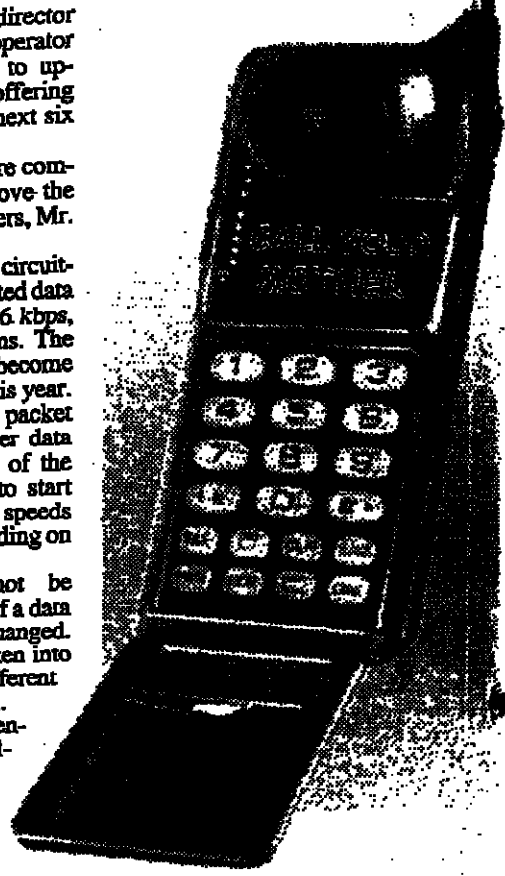
But three new technologies are coming that will significantly improve the data rates available to mobile users, Mr. Kelly said.

The first one, high-speed circuit-switched data, will offer a dedicated data channel at linkage as fast as 57.6 kbps, depending on network conditions. The premium service is expected to become available in the second half of this year.

A second technology, generic packet radio service, will provide faster data but will require redevelopment of the radio interface. It is expected to start service next year, offering data speeds as high as 115 kbps, again depending on network conditions.

Significantly, users will not be charged according to the length of a data call but by the amount of data exchanged. This is because the data are broken into packets, and packets from different users can share the same channel.

Finally, there is EDGE, or enhanced data rates for GSM evaluation. The technology, which is still under development, will offer packet-based data speeds as high as 384 kbps, Mr. Kelly said.



TECHNOLOGY INDEX

Technology stock indexes around the world:

	Tuesday close	Pct. change previous week	Pct. change year to date
North America			
Pacific Exchange Tech	492.07	+9.54	+9.54
S&P Tech Composite	1,280.75	+9.64	+9.64
Europe			
Morgan Stanley Eurotec	646.51	+5.90	+5.90
Asia			
Topix Electric	1,559.96	+1.13	+1.13

Source: Morgan Stanley, Bloomberg News

For technology articles from the past week, see TribTech on the IHT's World Wide Web site at <http://www.ihrt.com>. Articles include:

- Careful, Furry May be a Mole, Jan. 14
- Y2K Bug: Don't Blame Original Programmers, Jan. 14
- Lucent to Buy Ascend, Maker of Gear for Net, Jan. 14
- High-End Sales Power Intel's Net, Jan. 14
- Netel to Cut 8,000 Jobs as Orders Fall, Jan. 14
- Netlink Set to Expand, Jan. 15
- Why Entertainment Firms in Germany Are Stealing the Show, Jan. 15
- A Trans-Atlantic Deal To Form Wireless Giant, Jan. 15
- At Home and Excited to Combine, Jan. 20

To reach TribTech editors or to comment on IHT tech coverage, send e-mail to tribtech@ihrt.com.

BRIEFLY

WHAT AM I BID? Home shoppers can buy airline tickets, Beanie Babies and garden tools via computer. Why not a \$9 million Rembrandt painting?

Sotheby's, the New York auction house, will spend \$25 million to launch sothebys.com, an Internet site where the public will be able to bid on antiques, art, jewelry, sports memorabilia and other collectibles.

The value of items on the virtual auction block initially will be capped at about \$10,000. More expensive items will be posted when imaging technology improves enough to give clear views of items from multiple angles.

Sotheby's first major on-line auction, planned for July, will feature baseball memorabilia. Officials at Christie's, another leading New York auction house, said they were also considering an on-line auction site. (AP)

DON'T TOUCH THAT DIAL: NTL Inc., Britain's third-largest cable company, is offering Internet access through television sets without a separate PC.

TV Internet customers will pay \$15 (\$25 a month for unlimited Internet access through a decoder box that connects to their TV and phone.

The service will operate at speeds up to 56 kilobits a second, the fastest available through a traditional telephone line. (Bloomberg)

MAKE IT SIMPLE: In an effort to make it easier for new computer buyers to get on-line, Dell Computer Corp. is teaming with AT&T Corp., Excite Inc. and SBC Communications Inc. to offer a package of Internet hookups.

Buyers of Dell computers will be offered Internet service through AT&T and then will be taken directly to an Excite site on the World Wide Web. The move by the No. 1 direct seller of PCs follows similar offerings from Compaq Computer Corp. and Gateway Inc.

In recent months, PC makers have been pushing to offer fast, easy Internet access to woo home PC buyers. Apple Computer Inc.'s sales of its new Internet-ready iMac, for example, are soaring, and the No. 1 PC maker, Compaq, unveiled an agreement in June to link its users with Yahoo! Inc.'s Internet service. (Bloomberg)

Keeping Roving Correspondents On-Line

By Dylan Loeb McClain
New York Times Service

NEW YORK — The time? About 10 years from now. The place? A busy city newsroom. The circumstances? A breaking story, perhaps a bombing.

A reporter grabs a notepad, a tape recorder and a mobile phone, a mobile journalist workstation that includes equipment that will plug the user into the Internet, allow transfer of information from editors and tap into a database of information about the reporter's surroundings. It includes eyeglasses with built-in liquid-crystal displays, a small high-speed wireless modem and a global positioning satellite hookup that can pinpoint a location to within an inch (2.5 centimeters).

It is a vision of the future that a group at Columbia University in New York — John Pavlik, director of the Journalism School's Center for New Media, Steven Feiner, a professor of computer sciences, and some of their students — is working to make into a reality. A prototype of the workstation, about the size of a large backpack, is being developed with about \$120,000 a year in grants from the Office of Naval Research and the National Tele-Immersion Initiative, an organization that promotes the use of computer networking technology.

The system works interactively. In the future, a miniature camera may make it possible to beam images from remote spots to a home base, such as a newsroom or a television studio.

Mr. Pavlik said the workstation, if eventually shrunk to an easily portable size, could become an important information-gathering tool, giving "better access through wireless technologies to a wide spectrum of information, including the Internet, but also to remotely located experts and editors." It could provide immediate context for reporting, he added, leading to greater accuracy.

The project was not originally developed as a reporter's tool. Mr. Feiner was researching what is called mobile augmented reality when he and Mr. Pavlik realized its journalistic possibilities. Mr. Feiner said he hoped to make the workstation no larger than a handheld radio and reduce the cost to about \$150 so that it would appeal to ordinary consumers. He said travelers could use it as an aid in exploring cities, "something akin to a Michelin guide."

The Office of Naval Research has less pedestrian uses in mind: It wants the workstation to provide information to soldiers on a battlefield. Dr. Larry Rosenblum, a researcher at the Naval Research Laboratories, said, "We want to give a Marine a natural interface without having him have to stop and punch into a computer."

What the Cutting-Edge Journalist May Someday Wear

Two professors at Columbia University in New York are working on a prototype system that would enable journalists on assignment, and others, to download information from the Internet and provide information about their surroundings. Although the system is in its early stages, here is how it works, for now.

DIFFERENTIAL GLOBAL POSITIONING SATELLITE SYSTEM

Tells the system where the user is and what he is looking at, give or take a few feet.

GOGGLES AND HEADGEAR

Display information about the surroundings. Sensors tell the system which way the wearer's head is turned so the system knows what he is looking at.



Through the goggles, the user sees his surroundings and a menu of options.

PORTABLE COMPUTER

The system's nerve center.

WIRELESS RADIO NETWORK

For connecting to the Internet and the user's home base.

HAND-HELD COMPUTER

For controlling the system.

BATTERY PACK

RADIO MODEM

Used by the global positioning satellite system.



Ruby Washington/New York Times Photo

Tobias Höller, a graduate student working on the design of the mobile journalist workstation, demonstrates the system.

ALT / Commentary

Free PCs Should Make Economic Sense Soon

By Elizabeth Corcoran
Washington Post Service

WASHINGTON — How much do you plan on paying for your next personal computer? \$1,000? Less? Is there any chance that someone — other than your somewhat geeky uncle Joe — will give you one for free? The idea of "free" PCs isn't as far-fetched as it may sound. We already expect to get cellular phones and cable set-top boxes for free when we sign up for those services. Computers may not be far behind.

Just ask Andy Grove, chairman of the chip-maker Intel Corp. A couple of months ago, he did a simple mathematical experiment — namely, comparing the cost of a computer with what people pay to get on the Internet. What he found surprised him. For many consumers, the cost of owning a PC is about the same as the fees they pay to be on-line.

Here's how the numbers work:

Personal-computer prices are on a long downhill run. According to the research company PC Data, the average price consumers paid for a personal computer running Microsoft's Windows 98 operating system in November was \$993.

By all accounts, computer prices are likely to keep edging downward. In November, International Business Machines Corp. announced its Aptiva DIN, priced at \$599 — without a monitor. That machine sold out quickly, and the trend is clear. The most radical offer so far is from a South Korean-owned start-up called eMachines Inc., based in Fremont, California, which sells a fully

configured PC for \$499 with a small 14-inch (36-centimeter) monitor. Analysts say eMachines is losing money on every sale.

But just to be conservative, let's assume for this comparison that the price many people will pay for a personal computer is about \$1,000. Because most people use their computers for more than a year, we can divide that cost by the length of time that people own their machines and come up with an "annual computer cost."

Mr. Grove estimated that most consumers used their PCs about four years. That comes to less than \$21 a month.

What are people spending to be on-line every month? Gary Arlen, who runs a market-research firm in Bethesda, Maryland, said his team had just finished a survey of Internet dial-up services and found that most firms charged about \$20 a month for Internet access. The principal exception was America Online Inc., which typically charged \$22 a month.

AND THERE ARE NO SIGNS, Mr. Arlen said, that those costs are coming down. A few years ago, data messages were almost invisible as they whizzed across telephone networks, swamped by voice traffic. No more. Now data communications have become a "burden" on the network, Mr. Arlen said.

Particularly when consumers most want to be on-line, from about 8 P.M. to 2 A.M., telecommunications networks are strained to capacity, he said. As a result, he said, "there's every reason to believe" that these charges will stay in the mid-

\$20 range for the foreseeable future.

Admittedly, it is far easier for most of us to dig up \$20 or so a month than it is to come up with \$1,000 for a personal computer. But to Mr. Grove, a master at spotting the key trends in the industry, the implications are as clear as lines drawn on a white napkin: The trend lines have crossed. PC prices are going to keep edging downward, while Internet access fees are constant at best.

What does it mean?

To Mr. Grove, it means that the Internet era is a communications revolution rather than a computing revolution.

He, like many other high-tech executives, wonders why governments have not moved more aggressively to force telecommunications companies to cut their prices or to open up high-speed Internet access at lower prices.

Mr. Grove says people should think harder about how to help schools and children afford Internet fees rather than bemoan the fact that PCs are still too expensive for many children, because every day, that PC costs less than it did the day before.

Still, executives such as Michael Dell and his Dell Computer Corp. are not likely to start giving PCs away yet. But sometime over the next couple of years, some clever entrepreneurs will probably figure out a way to sell a new Internet service by throwing in the machine that gets you on the Internet. I can hardly wait.

Elizabeth Corcoran can be e-mailed at corcorane@washpost.com.

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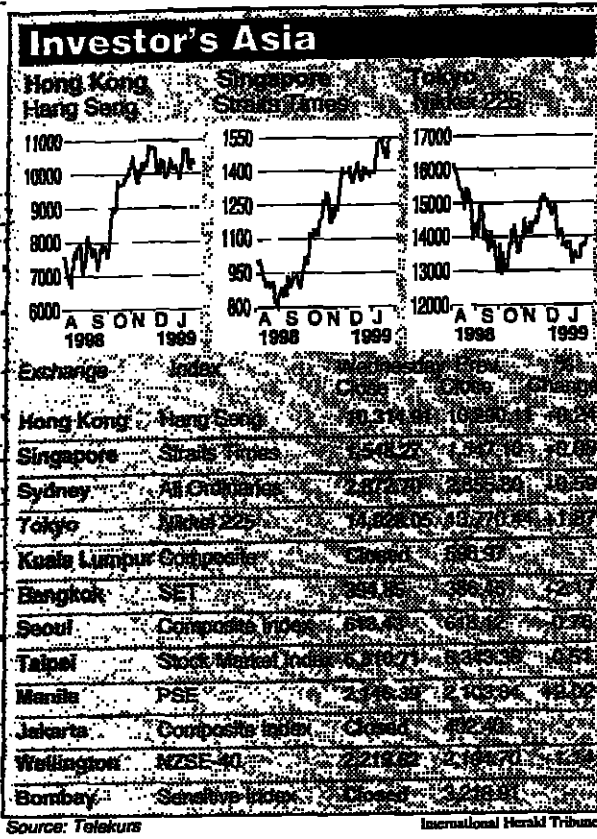
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**Very briefly:**

- Nomura Securities Co. was fined 100 million yen (\$88,000) and three of its former executives were sentenced to prison terms for making illegal payoffs in 1995 to the racketeer Ryuichi Koike. A former president, Hideo Sakamaki, and former managing director, Nobutaka Fujikura, received one-year prison terms suspended for three years. Shimpei Matsui, another former managing director, was sentenced to eight months in prison, suspended for three years.
- Hutchison Whampoa Ltd. of Hong Kong is planning to buy the largest European container handler, Europe Combined Terminals BV, for \$357 million; the deal could double Hutchison's share of the shipping trade in northern Europe.
- Siemens AG of Germany is forming a train-making joint venture in China with Zhuzhou Electrical Locomotive Works, China's largest train plant, and Zhuzhou Electric Locomotive Research, a maker of electronic components for rolling stock. Siemens will own 51 percent of the venture.
- Taiwan's exports fell 9.4 percent in 1998 as demand from recession-bound Asian trading partners dried up. Exports account for about 40 percent of Taiwan's economic output.
- Singapore's exports fell 8.5 percent, to 7.74 billion Singapore dollars (\$4.6 billion) in December from a year earlier as world demand for key electronic parts dropped. Singapore's total trade fell 7.5 percent in 1998, the first decline since 1986 and the biggest drop on record.

Sanwa Sets Link With Toyo in Bid To Reform

Compiled by Our Staff From Dispatches

TOKYO — Two more Japanese banks said Wednesday they had agreed to link up amid growing pressure on the country's banks to reform so that they can compete more effectively.

Sanwa Bank Ltd., a major commercial bank, said it had agreed to work with the smaller Toyo Trust & Banking Co. to promote sales of personal pension plans, which are expected to be introduced in Japan as early as next year.

The presidents of both banks also said a full merger was being considered. Sanwa, a commercial bank, caters to retail customers, while trust banks such as Toyo specialize in managing funds for corporations, pensions and big individual investors.

"The agreement allows us to cover our weak points, such as the small number of outlets and clients," said Nobuyoshi Takeuchi, Toyo Trust's president.

The deal comes as Japanese banks struggle to dispose of piles of bad loans left over from the collapse of property prices nearly a decade ago. On Tuesday, Chuo Trust & Banking Co. and Mitsui Trust & Banking Co. announced a tentative agreement to merge, and on Wednesday, Fuji Bank Ltd. said it was considering a closer link and a possible merger with Yasuda Trust & Banking Co. Ltd., in which it already holds the largest stake.

Japan's bank-reform commission warned the industry to clear up problem loans or face the possibility of getting no public financial aid. "We want major banks to finish their bad-loan liquidations by the end of this business year on March 31," said Hakuo Yanagisawa, chairman of the commission.

(AFP, AP, Reuters)

China to Shift Banks' Bad Loans

Compiled by Our Staff From Dispatches

BEIJING — The governor of the central bank outlined measures Wednesday to clean up the balance sheets of four debt-ridden state-owned commercial banks by transferring their doubtful loans to separate companies.

China plans to establish four asset-management companies to take over and try to recover some of the bad debts of its four major commercial banks, the governor of the People's Bank of China, Dai Xianglong, was quoted as saying in the official China Daily.

The plan expands on an original plan to start a pilot debt-management plan with one of the four banks, China Construction Bank. The three other banks involved in the plan are Industrial & Commercial Bank of China, Bank of China and Agriculture Bank of China.

Mr. Dai said the latest move to spin off banks' nonperforming loans was aimed at "presenting a clearer picture of the quality of the

banks' assets." An economist at Salomon Smith Barney in Hong Kong, Guonan Ma, said the move showed the government's determination to clean up the financial sector before problems got worse.

The move comes in the wake of the collapse of Guangdong International Trust & Investment Co., or GITIC, China's second-biggest trust company, which was declared bankrupt last week with debts of \$4.37 billion.

By allowing GITIC and its subsidiaries to go bankrupt, the government has signaled that it will no longer bail out insolvent financial institutions and will use the trust-firm sector for a radical reform of the financial system.

The paper gave few details of the plan, but Mr. Dai has estimated that about 20 percent of China's bank loans, or more than 1 trillion yuan (\$120.8 billion), are nonperforming and that 6 percent to 7 percent are unrecoverable. Foreign estimates have put nonperforming

loans of Chinese banks at \$200 billion. Years of government-ordered lending and risky investments contributed to the debts that have left China's troubled banking system technically insolvent.

The weight of bad loans also has hampered efforts to overhaul banks to support other economic reforms, including modernizing the ailing state industrial sector.

The asset-management plan is modeled on the Resolution Trust Corp. set up to rescue U.S. savings-and-loan institutions, which encountered serious loan problems in the 1980s.

Mr. Dai also said a government crackdown on illegal foreign-exchange transactions would continue this year to preserve foreign reserves, the China Daily reported.

Major targets will be banks involved in foreign-exchange fraud, foreign-exchange black markets and people trying to take hard currency abroad illegally, the newspaper said.

(AFP, AP)

All Nippon Places Its Bet On a Lottery

Bloomberg News

TOKYO — All Nippon Airways Co. aims to revive its flagging fortunes with an on-board lottery, president, Kichisaburo Nomura, said Wednesday.

"We'll do anything to generate money," he said at the start of the "ANA 20th Century History Campaign," the name of the lottery.

ANA has cut staff, slashed fares, put aircraft purchases on the back burner and scrapped some routes after posting losses in four of the past five years.

"The campaign will hopefully lead to an improvement by summer," said Mr. Nomura, who said he expected to make 4.5 billion yen (\$39.4 million) during the lottery's run, raising revenue by about 0.5 percent for the year ending in March.

Prizes for the lottery, which starts Feb. 1, will include gift coupons, video-game machines and cameras from Bandai Co., the maker of Tamagotchi virtual pets. ANA also plans to cut the price of a regular domestic ticket by 400 yen April 1 to reflect lower landing fees.

Prison Terms for Newspaper Fraud

Compiled by Our Staff From Dispatches

HONG KONG — Two senior executives and a former head of circulation at the Hong Kong Standard, an English-language newspaper, were convicted Wednesday and sentenced to prison for plotting to deceive advertisers by falsely inflating circulation figures.

Judge Peter Line handed down guilty verdicts to the general manager, Heanien So, the finance manager, Tang Cheong-sing, and a former circulation director, David Wong Wai-shing.

Their high-profile fraud case had raised questions about whether the judicial system in the territory protected the rich and well-connected. The publisher of the newspaper, Sally Aw Sian, was identified in court documents as a conspirator but was not charged.

Mrs. So, Mr. Tang and Mr. Wong were all convicted of conspiracy to defraud. Mrs. So and Mr. Tang also were convicted of six counts of false accounting, and Mr. Wong was convicted of four counts of false accounting. The judge sentenced Mrs. So to six months in prison. Mr. Tang and Mr. Wong were sentenced to four months each. All were ordered to pay court costs.

It was unclear whether the executives would appeal. The Hong Kong Standard referred inquiries to its owner, Sing Tao Holdings Ltd., which declined to comment.

Prosecutors said the executives had ordered the printing of extra newspapers and then disposed of 10,000 to 20,000 copies each day via a front company.

Mrs. So reportedly testified that Mrs. Aw, the publisher, had asked

her employees to lie to officials about the case.

Before the case came to court, Secretary of Justice Elsie Leung fielded questions about why Mrs. Aw had not been prosecuted. She cited the public interest, drawing criticism that the government would lose credibility.

Mrs. Aw is chairwoman of Sing Tao Holdings, which also controls the Chinese-language Sing Tao Daily News, and a member of the Chinese People's Political Consultative Conference, a political advisory body of the Chinese government. She also has been reported to be a friend of the chief executive of Hong Kong, Tung Chee-hwa.

The Department of Justice said Wednesday it would soon explain to the public why it had not prosecuted Mrs. Aw.

(AP, Reuters)

Disney Seeking Hong Kong Site

Bloomberg News

HONG KONG — Walt Disney Co. is close to a preliminary agreement with the government to build a theme park in Hong Kong, a person familiar with the talks said Wednesday.

Disney could seal a pact within three months, the source said. The company is said to be considering sites in Tolo Harbor in the suburban New Territories and on Lantau Island near the new airport.

Disney executives declined to comment.

A WEEK IN THE LIFE OF THE IHT

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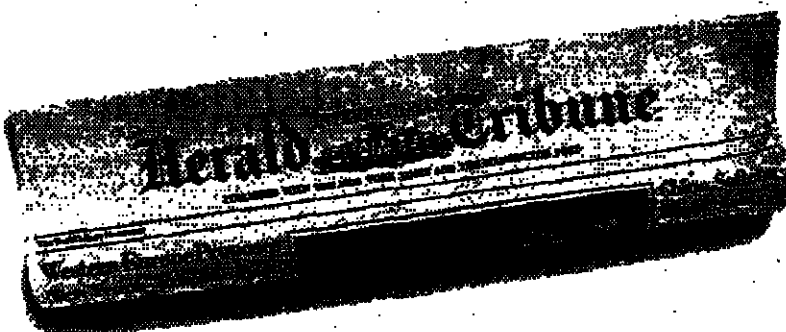
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INTERNATIONAL INVESTING

Familiarity Breeds Wealth: A Fund Manager Stays Close to Home

Washington Post Service

WASHINGTON — In this wild and crazy market, it's always a delight to find a cool-headed pro who ignores the fads and keeps doing what he's always done, with great success.

The Dow Jones industrial average, as of Tuesday, had finished seven of the year's 11 trading sessions with gains or losses of at least 100 points. Meanwhile, in that brief time Amazon.com Inc. has gone from \$108 to \$199 and back down to \$140.

But Elliott L. Schlang doesn't care. He's held the same strategy for decades, and it works. Every small investor should pay heed.

Mr. Schlang lives in Cleveland and runs a research service called Great Lakes Review, which publishes a quarterly newsletter and more extensive reports, none of which you can get. His clients are large mutual funds, pension funds and university endowments, which pay him to call good stocks to their attention.

But not just any stocks. Mr. Schlang has strict criteria. He looks for companies with the following characteristics:

Two Fund-Trackers List Their Favorites

WASHINGTON — In the latest issue of Forbes magazine, Mark Hulbert, who meticulously tracks newsletter performance, praises Sheldon Jacobs of the No-Load Fund Investor (telephone in the United States 1-800-252-2042) and Dan Sullivan of the Chartist (562-596-2385) on a very short list.

Each editor has his own favorites among mutual funds.

Mr. Jacobs recently increased the weighting of Vanguard Total Stock Market Index and James Balanced in his portfolios. Other favorites: Gabelli Growth, T. Rowe Price Equity-Income, TIAA-CREF Growth & Income and Neuberger & Berman Focus.

Mr. Sullivan recommends the following 10 funds: Clipper, Dreyfus Aggressive Value, Fidelity Dividend Growth, Oakmark, PBHG Mid-Cap Value, Reserve Large-Cap Value, Rydex Nova, Rydex OTC, Selected American Shares and Safeco Equity.

— JAMES K. GLASSMAN

JAMES K. GLASSMAN / ON INVESTING

earnings that increase "year after year regardless of external business conditions" (which leaves out Amazon, because it has no earnings at all); high growth rates and above-average profit margins; "self-funding balance sheets" (that is, minimal debt); managers who own lots of stock in the firm; and headquarters in Ohio, Michigan, Illinois, Indiana or western Pennsylvania (so Mr. Schlang can visit them).

"You can't find these companies easily," he told me Tuesday. Many of them — believe it or not — have long been overlooked, often because they are in boring businesses in the Rust Belt states of America. In fact, one of Mr. Schlang's criteria for recommending a stock is that it has little institutional ownership (that is, Wall Street hasn't caught on).

Since he began the review in 1981, he has maintained a portfolio of 30 stocks, with an average of only four falling off (because of mergers, management changes or poor performance) and being replaced each year. In February 1998, for instance, he added Ohio-based Miami Computer Supply Corp. (symbol: MCSC), a booming distributor of computer and office-automation supplies. Since then, the stock has more than doubled.

Miami is not a value stock. It trades at a price-to-earnings (P/E) ratio of 31, based on estimates of 1999 profits. But earnings for the most recent quarter were up 70 percent, and revenue should more than double this year. So if Mr. Schlang is right, he's buying growth at a decent price.

Ditto his other recent acquisition — Childtime Learning Centers Inc. (CTIM), the largest publicly held U.S. day-care provider, with 257 centers in 17 states. The stock is down by one-third from its July high — "for no operating reason," said Mr. Schlang. With earnings and revenue growing at about 20 percent annually, shares trade at a P/E of 18.

But price is not Mr. Schlang's obsession. "Investors should be company-focused, not stock-focused," he says. And the statistic that measures the

strength of a company best is earnings persistency. "One thing I ask is record results year after year."

So it is no surprise that Mr. Schlang lists these "four names that should be in everyone's core holdings" — companies that provide "predictable earnings in an unpredictable economy":

Cintas Corp. (CTAS), based in Cincinnati, holds an 18 percent share in the highly fragmented \$5 billion uniform rental market, serving 220,000 customers a day. The company has increased sales and earnings for 29 consecutive years — through recession and prosperity. The stock has more than quadrupled over the past five years and trades at a P/E of 50, but so what? It just keeps

making more and more profit.

RPM Inc. (RPM), of Medina, Ohio, makes specialty coatings and chemicals, especially for waterproofing and rust control — hardly a sexy niche. But Mr. Schlang notes that the firm "has distinguished itself with 51 consecutive years of improved sales, net income and earnings per share." RPM has increased its dividend every year since 1974.

Stryker Corp. (SYK), which makes surgical products, mainly orthopedic implants, has been on Mr. Schlang's list of 30 stocks since 1982. Over that time, 1,000 shares at \$35.75 each have become, through splits, 18,000 shares at \$50.50. Stryker, based in Kalamazoo, Michigan, has also consistently increased its earnings at an average rate of 16 percent annually since 1994, according to Bloomberg News. Its P/E of 33 is roughly twice the growth rate — which

may seem high, but, as Mr. Schlang points out, it's still below the average for the Dow.

Tootsie Roll Industries Inc. (TR), headquartered in Chicago, "has achieved 21 consecutive years of record sales and 16 consecutive years of record earnings," Mr. Schlang said. In addition, it has paid 3 percent stock dividends for the past 34 years and cash dividends since 1963. Mr. Schlang expects earnings of \$1.63 in 1999, which would peg the P/E at 27 — not bad for a company whose earnings have been growing at 15 percent annually for the past five years.

Tootsie Roll, in fact, may be the perfect Schlang company. Its chief executive and its president, Melvin and Ellen Gordon, own nearly half the shares, so they have a vested interest in keeping the profits rolling. Total debt is a mere

\$7.5 million against cash and securities of \$172 million. Besides Tootsie Rolls and Tootsie Roll Pops (a personal favorite), the company makes Charms, Mason Dots and Junior Mints (of "Seinfeld" fame).

What is remarkable about Mr. Schlang's approach is that he does so well limiting himself to four and a half states.

An indispensable element in the Schlang approach is visiting companies and getting to know the managers. He will sell a company when a great CEO leaves — as he did Rubbermaid Inc. (RBD) when Stanley Gault departed. Another of Mr. Schlang's longtime favorites, Newell Co. (NWL), which he's owned since 1985 (and has since risen by a factor of 20), is acquiring Rubbermaid.

E-mail: jkglassman@aol.com

Very briefly:

• Fidelity Investments said some of its biggest equity mutual funds doubled their exposures to technology stocks last year. The \$83.6 billion Magellan Fund had 25.8 percent of assets in technology stocks at the end of December, twice what the fund owned in that sector at the end of 1997, according to Fidelity. In 1998, Magellan gained 33.6 percent, outperforming the 28.6 percent advance of the Standard & Poor's 500 stock index.

• Fidelity Investments is now the biggest foreign mutual-fund manager in Canada, overtaking Templeton Management Ltd. last month. Fidelity Investments Canada Ltd. had almost 19.1 billion Canadian dollars (\$12.5 billion) in fund assets in Canada at the end of the year, the Investment Funds Institute of Canada said.

• Thomas Weisel, former head of NationsBanc Montgomery Securities, opened a new investment bank, Thomas Weisel Partners, to focus on technology, media and health care.

• European governments are replacing domestic bond auctions with syndicated bond sales, seeking a wider investor base as the euro blurs distinctions between domestic and international bonds. The introduction of the common currency in 11 countries makes it easier for member countries such as Austria, Belgium and Portugal, which have typically relied on domestic banks to bid at bond auctions, to reach beyond their home markets.

• Eastern Europe must do more to protect minority shareholders' rights, speed up state asset sales and reduce governments' roles in corporate management, said Mark Mobius, president of the Templeton Emerging Markets Fund, at a conference in Vienna.

• Charles Schwab, co-chief executive and founder of Charles Schwab & Co., the largest discount brokerage network in the world, is bullish on stocks and says he is buying blue-chip issues. In an interview at a company-sponsored conference, he said the "extreme emotionalism" that hurt equities last year had ended.

Bloomberg

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UK INDEX PLUS	8	GBP 2,72	GBP 2,04	15/01/99	15/01/99	02/02/99
GERMANY INDEX PLUS	8	EUR 0,75	EUR 0,5025	15/01/99	15/01/99	02/02/99
SPAIN INDEX PLUS	8	EUR 1,47	EUR 1,1025	15/01/99	15/01/99	02/02/99
NETHERLANDS INDEX PLUS	8	EUR 2,62	EUR 2,1150	15/01/99	15/01/99	02/02/99

* En Belgique après déduction du précompte mobilier de 25%.

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THE WORLD'S DAILY NEWSPAPER

WORLD ROUNDUP

NBA Camps to Open

BASKETBALL The National Basketball Association lockout was officially settled Wednesday, and teams were told they could begin signing players, making trades and opening training camps at 2 P.M. New York time, on Thursday.

"We have an agreement, and we expect to have the deal signed tonight," a league spokesman, Chris Brienza, said Wednesday afternoon.

Teams can immediately begin talking to their players, something that had been forbidden since Commissioner David Stern and the director of the players union, Billy Hunter, agreed two weeks ago on the terms of a new collective bargaining agreement.

Now that the laborious task of reaching the settlement into written form has been completed and agreed upon by lawyers for the players and owners, play can finally begin. Opening night is scheduled for Feb. 5, and the NBA is expected to release a new schedule by the end of the week. (AP)

Milan Goalie Suspended

SOCCER AC Milan's goalkeeper, Sebastiano Rossi, was suspended for five matches, or about one third of the remaining Serie A rounds, for hitting an opponent during the team's match last Sunday against Perugia.

Rossi's punishment—one of the toughest in the Italian League's history—was announced by the league's disciplinary commission on Wednesday. AC Milan, while critical of Rossi's behavior, said it would appeal the decision in the hope of having the suspension period reduced. (AP)

A Big Raise for Pettitte

BASEBALL Andy Pettitte and 14 other players don't have to worry about salary arbitration anymore, having agreed to contracts late Tuesday.

Pettitte, of the New York Yankees, agreed to a \$5.95 million, one-year contract, up from \$3.8 million last year, and has the chance to earn \$50,000 more in incentive bonuses. A stocky, 26-year-old left-hander, Pettitte was 16-11 with a 4.24 ERA in 1998 after struggling with his control and mechanics for much of the season. He came up big in the World Series, however, pitching 7½ shutout innings to win Game 4 as the Yankees completed their sweep of the San Diego Padres.

A Houston Astros' right-hander, Jay Powell, got a \$3.65 million, three-year contract, and seven right-handed pitchers agreed to one-year deals: Montreal's Dustin Hermanson (\$2.05 million); James Baldwin of the Chicago White Sox (\$1.9 million); the Dodgers' Darren Dreifort (\$1.9 million); Houston's Sean Bergman (\$1.875 million); Anaheim's Steve Sparks (\$1.35 million); Detroit's Bryce Florie (\$1.3 million) and Oakland's T.J. Mathews (\$750,000). (AP)

Philippoussis Outlasts Chang Corretja Crashes to Unsung Norwegian While Rafter Marches On

By Christopher Clarey
International Herald Tribune

MELBOURNE—"Let's get back to the tennis," Brian Tobin, the International Tennis Federation president, said hopefully as the third day of the Australian Open was getting underway.

After a player meeting that turned contentious over Petr Korda's drug case and after allegations of wider drug use in the sport by Jim Courier, the volatile game of question-and-answer and a return to the power game of forehands and backhands.

There would be some fine ones Wednesday: many of them in the five-set

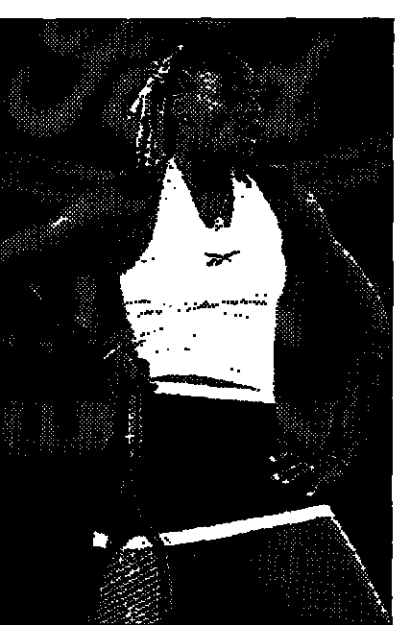
Australian Open

second-round thriller between counter-puncher Michael Chang and big puncher Mark Philippoussis. The larger man with a very large crowd behind him would triumph 7-6 (7-1), 2-6, 6-3, 5-7, 7-5, but not before the now-unseeded Chang had shown flash after flash of the sort of scrambling, overachieving tennis that once had taken him to No. 2 in the world.

"To be quite honest, I felt like he was getting a bit slower, but it didn't seem like it out there," said the 14th-seeded Philippoussis, now just one round away from a potential matchup with fellow Australian Patrick Rafter, the "mate" who beat him in U.S. Open final last year.

The fact that Philippoussis and Rafter both played Wednesday helps explain why a total of 50,871 fans descended on Melbourne Park for the day and night sessions. It was the biggest one-day crowd in the long history of Grand Slam tennis tournaments, surpassing the crowd of 46,922 at the U.S. Open last year.

The third-seeded Rafter, who won with relative ease against countryman Mark Woodforde, is now the highest-ranked player remaining in the draw. No. 1 seed Marcelo Rios withdrew before the tournament began with a stress fracture in his spine. No. 2 seed Alex Corretja is in perfect health, but his normally constant and forceful baseline



Venus Williams questioning a call during her match against Asa Carlsson. Williams won 6-2, 6-0.

game was in urgent need of treatment during his four-set loss to Christian Ruud, who hails from a nation that has had much more success on snow than Rebound Ace: Norway.

Because the 86th-ranked Ruud had no Norwegian tennis role models to admire as a youngster, he chose the closest thing: Sweden's Mats Wilander. He was also coached for a short time by Sweden's future Davis Cup captain Carl-Axel Hageskog. But Ruud won only four matches on tour last season: 53 less than Corretja, a French Open finalist in June and the winner of the ATP Tour Championships in November.

"I'm not God," said Corretja, who, with his big backswing and high service toss, is even less cerebral on very windy days like Wednesday.

Wind is an equalizer in tennis, playing nasty tricks on timing, but it also is an excellent test of patience and improvisational ability. Ruud passed and Corretja failed and now only one of the 13 Spaniards who came to Melbourne remains in the draw: the unseeded Julian Alonso, who will face Korda on Thursday in the second round.

The ITF called a news conference for Thursday morning to address the controversy surrounding Korda's drug case and to confirm that the men's and women's tours have agreed to increase the penalty for those who test positive for Class I performance-enhancing substances from one year to two years. The decision will bring them into line with other Olympic sports, nearly all of which have agreed to support a uniform two-year ban.

In response to Courier's claims that blood doping and the use of EPO to increase endurance was widespread in tennis, Tobin said, "I believe the sport is very, very clean relative to sports generally." Donna Smith, administrator of tennis's anti-doping program, said there was "right now absolutely no medical evidence that the use of EPO in a sport like tennis would be beneficial for a competitive edge."

Mark Miles, chief executive officer of the ATP Tour, said it was "really inappropriate for players to cast some kind of a cloud over the reputation of their sport without any substantiation."

But despite officials' desire for an end to the drug debate in Melbourne, not long after the conference adjourned, Lindsay Davenport, the world's number one player, said Courier "might have a very good point. I'm not up to date on the latest technology and how it all works, but I think there probably are some people that abuse the system in tennis."

Davenport, who reached the third round with a 6-2, 6-1 victory over Florencia Labat, also said "the men's tour probably has a bigger problem than the women's." It's a guess, but it seems that way to me because we don't have to worry about playing three out of five."

"I mean there are some people who are running like no problem at 8-8 in the fifth," she added. "Some men are not even winded after running for about five hours."

After playing with elbow pain for the last six months of the 1998 season, Davenport said that her elbow has not bothered her since she underwent magnet therapy in California shortly before flying to Australia.

"This was like a big machine with a

huge magnet," she said. "And I had to sit there with my arm under this magnet for five and a half hours. I thought, 'If this doesn't work, I will be really mad.'"

While Davenport and No. 6 seed Venus Williams had no difficulties winning Wednesday, No. 8 seed Patty Schnyder was upset, 6-7 (1-7), 6-4, 6-3, by the gifted and broad-shouldered Frenchwoman Amelie Mauresmo, who could be seeded herself before long.

Tim Henman, the No. 6 seed, flirted with elimination yet survived a five-set encounter with Australian doubles specialist Sandon Stolle. But the most compelling five-setter of the day and best match of the tournament thus far was Philippoussis versus Chang.

After an injury-filled 1998, Chang is now 27th in the world; yet he chased down Philippoussis's powerful groundstrokes like the Chang of yore. But with the match in the balance late in the final set, he struggled with his first serve, and at 5-5, Philippoussis broke him with a typically mammoth forehand and screamed and pumped his fists.

The thousands in the stands and the thousands more without Center Court tickets who were watching just outside on a giant-screen television celebrated along with him. He then served out the match, and as loud as the roar inside Melbourne Park was, it will surely be much louder if he or Rafter manage to win this tournament.



Mark Philippoussis serving to Michael Chang during their five-set battle.

Former No. 1, Now No. 77, Speaks Out

Once in the news for winning the Australian Open in 1992 and 1993 and jumping in the Yarra River to celebrate, Jim Courier has been a prominent figure in Melbourne for other reasons in 1999. The world's former No. 1 player has been the most vocal opponent of an appeals committee's decision to rescind Petr Korda's one-year suspension for testing positive for a steroid. He also has expressed his belief that other forms of doping are more common. Christopher Clarey of the International Herald Tribune spoke with Courier, 28, and now ranked 77th in the world, as he prepared to play in the Open's second round on Thursday.

Q & A / Jim Courier

Q: You had problems with your arm last year, problems that kept you out of the U.S. Open. How are you now?

A: Since September I've been feeling great actually. The arm is fine and no other parts of my body have been breaking down. I played five tournaments in six weeks in the fall, just grinding away. That was what I needed to do, play as many matches as possible and test my body and my body passed that test.

Q: There were rumors of your retirement last fall. Were they greatly exaggerated?

A: They were greatly exaggerated. I think I've still got a lot of good stuff to go in my body. I really feel like there are a lot more great matches left in me and if my body will allow me to continue going, my heart and spirit certainly want to go.

Q: So you never considered it?

A: I've been thinking about retiring since I was 23. Every year you have to get through some tough patches, and ask if it is worth it to keep going. I think we all go through it. But I'm going to go out on my own terms.

Q: Do you have a timetable?

A: I've always felt that when I feel I'm no longer capable of winning a major, I'll pull the plug.

Q: What is it like to have 77 by your name?

A: I'm really not that concerned about it as long as I feel inside myself that I can win the big ones. As long as I'm "getting into the tournaments," I don't care where I'm ranked.

Q: You have been very outspoken about Korda.

A: The facts are supposed to come out at the end of the four-month process of the ITF's appeal and hopefully we'll get to see every word they said in court and then make a decision for ourselves. But I think it's so damn clear-cut it's ridiculous. But I don't hold a grudge against Petr. He's fighting for his name and his life, and I think a lot of people would do that as well.

Q: Some people argue that tennis

has a skill element that makes doping less helpful than in sports like cycling. What do you think?

A: It's a total mental game, but your mental health can depend on how you wake up feeling. You can wake up feeling tired and worn out and it doesn't matter how strong your mind is, that's really hard to overcome. Do I have quantifiable proof about drug use? No. At this point I'm just throwing darts up and seeing what I hit.

Q: This is Davis Cup's centenary year, and Pete Sampras and Andre Agassi have said they will not play for the U.S. against Britain in the first round. What are your thoughts?

A: Pete is interested in personal goals, not team goals. I think if you haven't figured that out about Pete, you've got to pull your head out of the sand. Andre is the one who hurts me the most because I know how much Davis Cup means to him. I think it's his loss as much as anybody else's loss. Pete has never felt that, so I think we're better off just letting Pete go his own way.

Q: Really don't think our captain, Tom Gullikson, should ever approach Pete about Davis Cup again. I think they're still friends, but how many times can you ask a girl out before you get the idea she doesn't want to date you.

Q: Would having John McEnroe as captain make a difference?

A: Not with Pete, but Tom has had a long run, and he may do another two years. But I think John is the logical guy to come in next. John would bring great publicity to the thing. I think Mac will bring back some passion.

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Trashing Virginia

NEW YORK — The good news for Virginia is that there are strong indications it will soon receive New York's trash. While the contract has yet to be signed, the decision is almost in the bag.

Many states were vying for the tons and tons of waste, and Virginia environmentalists were thrilled to win the contest.

One Richmond trash booster told me: "It's like winning the Olympics. For New York to bestow this honor on us when there are so many places vying for its garbage is a waste management dream come true."

What made Buchwald the state one of the favorites is that New York has supplied Virginia with 60 percent of its trash in the past.

The selection team said this was a factor because Virginia knows how to handle garbage. It is skilled at separating bottles from cans and paper from Hustler maga-

zines. The New York trash chairman said, "We made a personal visit to the site, and we discovered Virginia dumps are everything they claim to be. Only New Jersey has better trash dumps, but we would have had to wait until 2006 to get an empty site."

I raised the question — which was natural after the Salt Lake City Olympics scandal — if Virginia officials had bribed anyone to get New York's waste.

The answer was, "No. The fact that the New York committee received free tickets to Williamsburg is strictly coincidental."

"Was any trash traded for sex?" I asked.

"Not that we know of," the chairman said, "but sometimes you can't separate one from the other."

One of the Virginians' major complaints is that if they keep accepting out-of-state garbage there won't be any room left to dump their own.

New York's reply is, "They're talking about apples and oranges."

A Napoleonic Surprise in Spain

Agence France-Presse

MADRID — Two letters purportedly written by Emperor Napoleon Bonaparte were discovered by police officers who were pursuing suspected British hashish traffickers in Spain, the newspaper El Pais reported Wednesday.

The police discovered the letters in a safe, along with two papal edicts from the 17th and 18th centuries, in May 1997 during a raid on a villa in eastern Spain. The investigating judge kept the information secret until this week, the paper said.

The letters are said to have been written by Napoleon in 1813: One was to his stepson, Eugene, Josephine's son from her marriage to Alexandre Beauharnais. The second referred to an imperial decree granting nobility to a colonel.

Also found were papal bulls signed by Clement IX, which was dated 1668, and by Benedict XIV, dated 1754. El Pais reported that the documents had been stolen from a London antique dealer, although no such theft has been reported.

St. Petersburg's Adulation for Its Great Writers

By Herbert Mitgang
New York Times Service

ST. PETERSBURG — Below a Byronic statue of Alexander Pushkin that stands in a small park in front of the Russian Museum near Nevsky Prospekt, some present-day romantic has placed three long-stemmed red roses, now fading, at the poet's feet. Wandering around the canaled streets of the old capital, which bears far greater witness to its czarist legacy than to its scarred Leningrad past, a visitor is struck by the respect paid to literary eminences.

Authors and even their fictional characters are regarded with adulation. Though nothing is closer in memory here than the Great Patriotic War, as World War II is known, poets and novelists are also celebrated, a reminder of the burning desire of litterateurs to be heard despite harassment and censorship during the Stalinist era. Poets do outlast tyrants.

Among the more personal museums is the 11-room Pushkin Museum, with its documents, writing desk, canes and the waistcoat he wore when he was shot in a fatal duel. The Dostoyevsky Memorial Museum includes manuscripts and photographs and maps illustrating places connected with his life and characters. A walking tour embraces sites related to "Crime and Punishment," including Raskolnikov's flats and the murder route in the novel.

The most amusing outdoor monument shows a sculptured granite nose, with no other facial features. It can be found at the supposed spot on Voznesensky Prospekt where in Gogol's classic story "The Nose," the character known as Major Kovalev, an official assessor and shakedown artist, lost his nose, which then acquired a life of its own. With a wink at the reader, Gogol ended his story: "Say what you like, but such incidents do happen in the world — rarely, but they do happen."

The newest literary museum honors a naturalized American, Vladimir Vladimirovich Nabokov, and is situated in the very building at Bolshaya Morskaya, 47, near St. Isaac's Cathedral in the fashionable Admiral'skaya neighborhood, where he was born 100 years ago this April. The building survived the German siege of Leningrad in World War II.

Nabokov himself described its appearance in "Speak, Memory," his 1967 memoir: "We have moved now to our town house, a stylish Italianate construction of pink Finnish granite built by my grandfather circa 1885, with floral frescoes above the



Alexander Sergeyevich Pushkin, left, and Vladimir Vladimirovich Nabokov.



third (upper) story and a second-floor oriel in St. Petersburg (now Leningrad), 47 Morskaya (now Herten Street). The children occupied the third floor."

Because Alexander Sergeyevich Pushkin was born 200 years ago this June, joint literary celebrations for the authors are being planned in the spring and summer. Scholars will gather in Pushkin's more spacious museum, at 12 Moyka Embankment, and visitors will be able to see the refurbished Nabokov birthplace and one of his family's former estates outside St. Petersburg.

It makes literary sense to commemorate them together. Nabokov translated "Eugene Onegin," the verse novel that is Pushkin's masterpiece. After Pushkin's "Ode to Liberty" and some of his satirical verses offended the czarist court, he was exiled to southern Russia. Nabokov went into self-imposed exile, eventually emigrating to the United States, where he taught Russian and English literature at Wellesley and Cornell.

"My course is a kind of detective investigation of the mystery of literary structures," he said. Because of his work as a lepidopterist, he was also affiliated with Harvard as a research scientist.

After the success of "Lolita," "Invitation" and

other writings, he and his wife, Vera, made their home in the Montreux-Palace et Cygne, a grande dame of a hotel overlooking Lake Geneva in Montreux, Switzerland. Nabokov rather enjoyed the nickname conferred on him in his cygnet-like setting: "the black swan of Montreux." They lived there for 18 years, until his death in 1977 at the age of 78.

Nabokov's writings were banned in the Soviet Union at the time, but his books were smuggled into the country. Now they are published in St. Petersburg and Moscow.

The V.V. Nabokov Museum opened last spring as a private enterprise after a determined effort by a small group of Nabokov admirers. Its space included only the Nabokov family's foyer, library, dining area and a large meeting room. The upper two floors are occupied by Nevsky Times, an independent daily paper of cultural and educational news.

Getting the museum off the ground was very difficult, said Vadim Potokovitch Stark, its director. "The St. Petersburg administration said it had no funds, but if we could raise the money ourselves we had their permission to go ahead. We slowly gained sponsors from Russian and foreign sources. We're now planning an international conference in April, putting together an educational pro-

gram for students and visitors and trying to make a film about the museum."

A seedy luxury is visible in the carved wooden ceilings, fireplaces, piano and period furniture, some of which resembles the century-old originals. In the largest room there is a long table with dozens of high-backed chairs, once used for meetings conducted by Nabokov's father, who was a leader of the independent Constitutional Democratic Party before World War I. Nabokov by boxing and fencing lessons in that room.

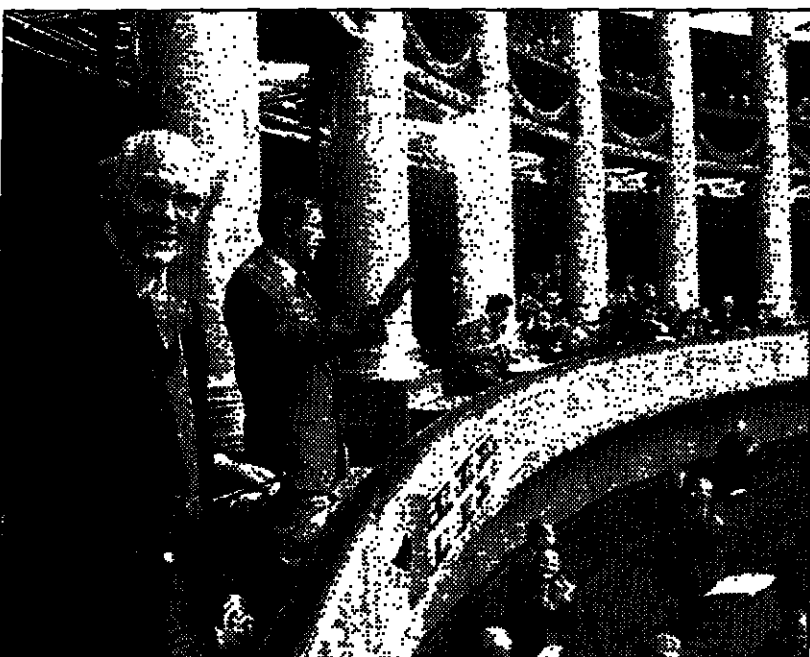
A permanent exhibition illustrates Nabokov's life in Russia, England, Germany, France, the United States and Switzerland. Dangling from the ceiling is a rather primitive painting of the Nabokov family's coat of arms, two fierce lions and a raised arm holding a sword aloft. A second painting shows a forlorn but accurately detailed butterfly drawn by Nabokov himself. There are photographs of the family and their three former country houses. The photographs were donated by Nabokov's son, Dmitri, and sister, Elena.

Three groups support the museum: the Nabokov Foundation in St. Petersburg; DORN, a small publishing house that issues Nabokov's books as well as those of Pushkin and other Russians; and a privately owned Internet provider called Computer Net that works with museums. There are a couple of Russian movie posters under a glass case showing Jeremy Irons as Humbert Humbert in the recent film version of "Lolita." When he was in Russia for the opening of the movie last year, Dmitri Nabokov visited his grandfather's mansion and admired the work being done to establish the museum.

Through his own Nabokov Literary Foundation, Dmitri Nabokov has been coordinating a number of events honoring his father, in Russia, Europe and the United States. There is to be a traveling exhibition in Europe, a colloquium of scholars in St. Petersburg, discussions at Town Hall in New York and an exhibition in the Berg Collection at the New York Public Library in Manhattan.

Where will he be at birthday time?

"I'll be celebrating my father's two birthdays in two different places," he said. Two? "Yes," he replied. "I'll be in St. Petersburg on April 10; that's his birthday on the old calendar. And I'll be back in Montreux on April 22, where the town is planning big doings in his honor. Actually, my father considered April 23 his real birthday, abiding by the new calendar. Wherever, 1999 is going to be a Nabokov year."



BOOSTER — Former Senator John Glenn visiting Parliament in Paris on Wednesday. The astronaut and his crewmates on the U.S. space shuttle Discovery are touring Europe to promote manned space flight.

THE actress Faye Dunaway has accepted the invitation of the flamboyant Austrian building tycoon and 1998 presidential candidate Richard Lugner to be his guest at the Opera Ball in Vienna on Feb. 11. Dunaway is the seventh celebrity to accept Lugner's invitation since Joan Collins made an appearance in 1993. Lugner's other guests have been Raquel Welch, the Duchess of York, Sophia Loren, Ivana Trump and Grace Jones.

British newspapers piled on Mick Jagger on Wednesday, denouncing him as mean and cynical after he advised his wife, Jerry Hall, that her attempt to divorce him would not work because they were never legally married. Hall began divorce proceedings last week amid reports that a Brazilian model, Luciana Morad, was carrying Jagger's child. The rocker responded by issuing a statement through his public relations people insisting that the couple's exotic 1990 wedding ceremony on the Indonesian island of Bali was not legally valid.

The announcement was widely seen as an attempt by Jagger to prevent Hall from claiming a \$30 million (about \$50 million) divorce settlement. "The hurt and wrong that Jagger has inflicted on the long-suffering Jerry are magnified, not diminished by the possibility that their Balinese wedding was no more than a bit of play acting," said The Express. The Mirror was equally damning, saying "given his selfishness, it was too much to expect him to give in quietly for the sake of his four children, whom he has now also succeeded in humiliating."

The newsmen Harry Smith has been named host of the A&E Network's Biography series. Smith, whose 25-year career includes eight years as anchor of the CBS show "This Morning," will make his debut in March.

Tommy Lee, the drummer for Motley Crue, must appear in court next month in Malibu, California, to answer allegations that he violated his proba-

tion on a conviction of spousal abuse by drinking alcohol. Lee was sentenced in May to six months in jail and placed on three years' probation after pleading no contest to charges that he kicked the former "Baywatch" star Pamela Anderson Lee several times while she held their child, Dylan, during a fight in February 1998.

Musicians Protest Movie About Du Pre

The Associated Press

LONDON — Several of the world's top classical musicians have joined forces to condemn a movie about the life of the late British cellist Jacqueline Du Pre.

The movie, "Hilary and Jackie," tells the life story of Du Pre, who died of multiple sclerosis in 1987 at the age of 42, and her relationship with her older sister, Hilary. In a letter to The Times the day of the film's British premiere, the cellist Julian Lloyd Webber condemned it as portraying Du Pre as "selfish, spoilt and manipulative." The violinists Itzhak Perlman and Yehudi Menuhin, as well as Du Pre's former teacher William Pleeth, the cellist Mstislav Rostropovich and the conductor Pinchas Zukerman — whose fictional counterparts appear in the film — added their signatures to the letter.

The film is based on the book "A Genius in the Family," by Hilary and Du Pre's brother, Piers.



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